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ABSTRACT

Implementing the principle of equal pay for work of comparable value, usually called "pay equity" or "comparable worth," should not be a major problem for either the public or private sectors. Information was analyzed from a survey of 24 State and local public sector employers involved in the implementation of pay equity, telephone interviews with 15 private sector employers involved in the implementation of pay equity in 9 different industries, and personal interviews with a cross-section of 15 other private sector employers about their views on pay equity and its prospects for voluntary implementation. Three brief case studies were also developed from the public sector sample to provide fuller information on costs and the complex processes involved. The following conclusions are outlined: (1) the experience of the public sector indicates that improvements in equity are making moderate increases in proportion to the employers' ability to pay, and that implementation becomes less difficult over time; (2) accurate cost estimates are impossible to obtain because the issues involved are still emerging and fear of lawsuits inhibits the flow of information in the private sector; (3) costs will be influenced by the extent of pay equity remedies and the reliability of job evaluation methods; (4) prospects for voluntary implementation in the private sector are likely to improve as more employers implement plans creating competition for labor; and (5) private employers appear to be committed to pay equity as a good business practice. The following material is appended: (1) five tabular summaries of the public sector survey responses; (2) the 1982 New York State Salary Table used in the public sector survey; and (3) a copy of the public employer survey questionnaire. (FMW)

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THE COST OF PAY EQUITY IN PUBLIC AND PRIVATE EMPLOYMENT

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PREFACE

The National Committee on Pay Equity undertook the research and writing of this report on "The Cost of Pay Equity in Public and Private Employment" to help insure that efforts to eliminate wage discrimination can take place with increasingly effective advanced planning, cooperation and comprehensive understanding of the issues involved.

The NCPE is the only national coalition working exclusively to achieve equal pay for work of comparable value. The Committee has over 220 organizational and individual members, including international labor unions and major women's and civil rights groups.

The original idea for this report came from the Committee's former Executive Director, Joy Ann Grune. Her key role in directing the research was later taken over by her successor as Executive Director, Claudia E. Wayne. The Committee is grateful to both of them for their leadership of this project.

The Committee wishes to acknowledge the contributions of the Research Advisory Board especially assembled for this project. Their guidance and support have been invaluable.

The members of the Research Advisory Board were:

Edith Barnett, Attorney;

Tom Brewster, Chief of Classification and Compensation Montgomery County, MD;

Alice Cook, Professor Emerita, Cornell University School of Industrial Relations;

Lela Foreman, Headquarters Staff, Women's Activities, Communications Workers of America;

Heidi Hartman, Study Director, Committee on Women, Employment and Related Social Issues, National Research Council;

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Diana Rock, Director, Community Services and Women's Activities, American Federation of State, County and Municipal Employees;

Kenneth Ross, Division Manager of Labor Relations, AT&T;

Nina Rothchild, Commissioner, Minnesota Department of Employee Relations;

Ronnie Steinberg, Senior Researcher, Center for Women in Government;

Marty Ware, Manager, Human and Civil Rights, National Education Association;

John Zalusky, Economist, Department of Research, AFL-CIO.

The Committee also wishes to thank the members of its Research Task Force for their assistance. These members are: Nancy Reder, Director of Social Policy for the League of Women Voters Education Fund and Chair of NCPE; Sarah Gotbaum, an individual; Christine Funk and Marcia McGill of the Service Employees International Union AFL-CIO; Marilyn De Poy, of the American Federation of State, County and Municipal Employees; and Ellen Mutari of the Business and Professional Women's Foundation.

The Committee also wishes to thank staff members June Inuzuka, Attorney and Revson Fellow, and Elizabeth Vandenburg, Administrative Assistant, for

their research assistance and general support. Special thanks are due to Rona F. Feit, attorney and consultant to the Committee, who assisted with the final research, and wrote the final report and insured the successful completion of the project.

The National Committee on Pay Equity was gratified by the willingness of public and private employers to cooperate with the researching of this report. The information they provided and the candor with which they spoke made the report possible and has given it whatever substantive value it has. Several union representatives made contributions to the case studies in the report and their assistance was important to a rounded perspective. The Committee wanted a fair, accurate, objective and useful report and made every effort to insure that this was achieved.

The entire report was made possible by grant from the Ford Foundation for which the Committee is extremely grateful.

December, 1984

Washington, D.C.

NATIONAL COMMITTEE ON PAY EQUITY

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The Report Format

This report is divided into four sections. The first section is an introduction to the aims and methods of the research being reported and contains a summary of the principal findings. The second section summarizes and analyzes the results of the research done on the public employer's cost of implementating pay equity in twenty-four states and local government units. This section draws heavily on data arrayed in Tables collected in Appendix I. This section also contains three case studies of the implementation of pay equity: in a State, a county and a small city. The third section identifies a group of private employers who have implemented or are implementing some degree of pay equity. It also summarizes an interview with one of these private employers on his view of pay equity. The last part of this section is devoted to a brief case study of a joint effort by a private employer and its unions to develop a job evaluation system that would provide a basis for pay equity. The fourth section summarizes and comments upon the content of oral interviews with senior officials of fifteen private companies. These officials talk about the concept of pay equity, its costs, and the prospects for private employers to implement it voluntarily. The fifth section contains some overall conclusions based on the research.

The Appendices to this report contain the tabular summaries of the public sector survey responses, an individual state salary table which relates to the preceding tables, and a copy of the NCPE survey which was sent to the public employers.

SECTION I

INTRODUCTION

The Nature and Purpose of the Research

This paper reports the results of a year long effort by the National Committee on Pay Equity (NCPE or "the Committee") to investigate the costs of implementing the principle of equal pay for work of comparable value. Implementation of this principle, now usually called "pay equity" but also called "comparable worth", provides a means of rectifying wage discrimination due to the widespread undervaluing of work done predominantly by women and minorities.

What pay equity for an individual worker may be in dollar terms is defined, case by case, within each employer's workforce. At issue is the comparable value to the employer of work performed for that employer. It is generally accepted that no absolute universal standard of job worth exists or is likely to exist by which the value of all jobs in our society can be measured or compared.

The implementation of pay equity, once defined, takes place in particular workplaces or business establishments controlled by a particular employer. The process typically has four phases, each of which may involve several steps. The first phase is employer recognition of the wage discrimination associated with occupational segregation by sex or race. This recognition may arise from employee or union complaints or studies or employer initiated reviews of in-house personnel practices and wage costs. The complaints, studies or reviews may be prompted by governmental actions, State laws, executive orders, city or county ordinances or resolutions, or fear of lawsuits or public pressure. They may also be entirely spontaneous

or voluntary, motivated by a concern for good management or for fairness. The second phase is a study or documentation of the extent of wage discrimination. The third phase is development of a plan for ending the pay inequities. This may involve only a plan for immediate or phased-in catch-up wage increases and new wage scales for the existing undervalued jobs, or it may involve, in addition, a plan for changes in personnel systems to insure that new pay inequities do not arise. The fourth phase is implementation of the plans for ending the pay inequities. The fifth phase is periodic review of personnel practices and wage scales to insure that pay inequities have not recurred.

The focus of NCPE's research into pay equity implementation was three-fold: (1) to examine from a cost point of view the experience of public employers in the United States who were known to be involved in one phase or another of pay equity implementation , (2) to identify and examine in some detail the experience of two or three private sector employers implementing pay equity, and (3) to explore with other private sector employers of different types, their experience with, expectations of, and ideas about pay equity as well as their judgement of the costs of pay equity implementation. This last exploration was for the purpose of assessing the prospects for voluntary pay equity initiatives.

The Committee queried fifty-nine public sector employers and received useable data from twenty-four. Interviews were sought with forty-four private employers in twenty different industries. Useful interchanges occurred with fifteen in nine different industries.

The Committee hoped that its research would obtain sufficient information to enable it to estimate with some degree of confidence the comparative costs of various methods of implementing pay equity in the

public and private sectors both voluntary and involuntary. That hope was largely unrealized. This was due to difficulties experienced in getting data, a lack of data, the preliminary nature of implementation and limited study resources. Despite these problems, considerable amounts of useful information were gained about patterns and costs of implementation in the public sector and how the need for equity and fairness is being there balanced with the need for fiscal responsibility and restraint. Some basis for predicting the future of voluntary pay equity efforts in the private sector was also obtained.

The Context and Importance of the Research

The issue of the cost of implementing pay equity and its economic consequences has been raised aggressively by a range of opponents - several leading business organizations, economists,academicians, right-wing organizations and Reagan Administration political appointees among them. They predict that implementing pay equity will be so expensive and market distorting that it will have ruinous effects on the economy. They have been answered by equally aggressive proponents - the leading professional association of public-sector personnel administrators, unions, women's organizations, church organizations, economists, academicians, liberal political organizations, civil rights groups and liberal politicians. They accuse opponents of faulty analysis and self-serving alarmism.

Both sides agree that there is wage discrimination associated with occupational segregation. They also agree that it primarily affects women but affects minorities as well. They disagree over how to rectify it. Both sides agree that pay equity will bring increased employer costs. They disagree both on the amount of the costs and whether the costs will buy a

fairer, more productive economy or economic disruption and decline.

The debate until now has necessarily been largely hypothetical for lack of experience with implementing pay equity. At the same time, proponents have succeeded in getting a rapidly mounting number of State and local governments and an unknown number of private companies to adopt pay equity as a goal and to begin implementing it.

The research findings presented here can begin to introduce into the policy debate over the cost of pay equity, the lessons of experience at this point in time. The findings should also be useful to employers and employees confronting or about to confront the prospect of pay equity implementation.

Research Design and Methodology

The study was designed to gather information from three different research populations: (1) State and local level public employers involved in the implementation of pay equity; (2) private sector employers involved in the implementation of pay equity, and (3) a cross-section of other private employers willing to discuss in an exploratory fashion, their views of pay equity and its prospects for being voluntarily implemented by their company or others. The primary aim was to obtain sufficient information from each population to shed light on cost as a factor in pay equity implementation. Consideration of the differing characteristics of each population led to different methodologies for each.

Methods Used in Section II, The Cost of Implementation of Pay Equity: Lessons from Public Employers

Identification and Selection of the Research Population:

NCPE decided to try to identify and study State and local public employers involved in pay equity implementation at the time of the beginning of the study. Because of NCPE's experience with the issue and its broad network of contact people working on the issue, NCPE knew that the number of such employers would be manageable and that it could identify them simply by checking with its network. Resort to sampling techniques or extensive research would not be necessary. This checking was done, and a list of fifty-nine employers was drawn up: Thirty States, eight cities and towns, five school districts, three counties and three State universities.

Information-Gathering Techniques Used:

NCPE's then Executive Director, who was acting as principal investigator in consultation with the Research Advisory Board, decided that in order to evaluate the total costs of effective implementation the following information was needed from the employers: details about all phases of their implementation of pay equity for women and minorities, the costs associated with these phases, the relevant characteristics of their work forces, personnel practices prior to pay equity implementation, and details of the studies, conditions or events which led, directly or indirectly, to implementation . The Executive Director and the Advisory Board designed a detailed written questionnaire to mail to public employers. (See copy of survey form in Appendix IV.) The survey form was mailed to 59 public employers in early April, 1984. To help insure a high response rate, the questionnaires to large public employers were sent to two or three of their

senior public officials with cover letters explaining the project and asking for their assistance. After the return date of May 7, follow-up calls were made to insure surveys had been received. Several employers claimed they had not been received. A number of duplicate survey forms were sent on July 9 with a new cover letter requesting returns no later than August 10. Follow-up calls continued and additional requests filled for duplicate copies to replace lost or misplaced survey forms. Finally, on September 1, no more survey responses were solicited or accepted. An exception occurred for one county later in the year, as discussed below.

At the same time that the surveys were originally sent to public employers, copies were also sent to twenty-one public employee union locals and women's organizations in the target areas who, NCPE had been advised, had been involved in the public employers' pay equity efforts there. These surveys were sent to provide a cross-check on employer responses and another perspective.

Survey Response:

Written replies were received from public officials of fifteen States, seven cities, one school district and two State universities. Two replies were received from public employee unions. In one case, the union reply confirmed data provided by the reply from the city concerned. In another case, only the union responded since the employer had not responded, that reply was not used. One official reply from a city stated nothing was being done. Useable responses, therefore, totalled fifteen States, five cities, one school district and two State universities.

The completeness and responsiveness of the useable written replies varied widely. Some sent replies in letters and did not fill out the form.

Some did both. Some sent materials which contained answers to survey quesions, but NCPE researchers had to find the answers. Several respondents pleaded too little time to fill out the forms completely and suggested calling them for what was missing when they were less busy. Others simply sent sketchy responses with the explanation that the information sought was not readily available. Actual copies of pay equity study reports were received from three States and two cities.

One county employer was included in the study, although they were never sent a survey form. Officials of this county were surveyed by telephone after NCPE received substantial information about pay equity efforts there from union sources in late Fall, 1984. Union sources provided a copy of a union- initiated study and other background information.

Handling of Data:

In order to analyze the data, it was summarized and arrayed in tabular form. (See Tables I - V in Appendix I.) It was also cross-checked against materials compiled by Professor Emerita Alice Cook of the Cornell University School of Industrial Relations for her Casebook on Comparable Worth in the Public Sector to be published shortly by the Industrial Relations Center of the University of Hawaii. Some of her data was used to augment or clarify NCPE's survey data.

Where survey replies indicated that studies would be completed or official action taken before the end of 1984, calls were made in November and December to find out what had happened.

Case Study Methodology:

To flesh out the implementation and cost data collected, and to get a fuller picture of the complex processes taking place in the public sector around the implementation of pay equity, NCPE chose three public employers in the survey population for brief case studies. Each of these (one State, one county, and one city) had actually begun implementing pay equity and each had taken different approaches.

To prepare these case studies, NCPE interviewed one or more public officials and union representatives in each jurisdiction who had been active in the implementation process. They were asked to give their version of the history of the pay equity efforts in question and any evaluations of the process and results that might be useful to others working on or towards similar efforts. They were offered confidentiality if they preferred to speak off-the-record. Any written material they offered was used as background.

Methods Used In Section III, An Investigation of Actual Cases of Pay Equity Implementation by Private Employers

Identification of Employers:

To identify private sector employers who had implemented pay equity, NCPE staff focused on those instances where (1) defendants had been sued successfully by employees on pay inequity grounds or (2) had settled such cases in favor of the plaintiff, or (3) had implemented pay equity as a result of collective bargaining.

To identify private sector employees who had implemented pay equity, NCPE decided to search only for employers whose implementation efforts had been a matter of some kind of public record. Any other approach promised to

be slow and fruitless because of private employer reluctance to reveal information about their operations. So far as the Committee knew, public information existed only about private employers who had implemented pay equity when they had been involved in the three situations described above. To find these employers, NCPE staff researched case law, examined testimony from public hearings and pay equity literature, wrote to several major unions and women's organizations requesting information and talked to lawyers, management consultants and other contacts for leads. This process went on for several months with many follow-up calls.

Search Results:

Use of these methods yielded a short list of six private employers who had implemented pay equity because of lawsuits or lawsuit-related settlements. It also yielded the names of fifty-six companies which had implemented pay equity as a result of collective bargaining. Except for one hospital company who had bargained with the Service Employees International Union (SEIU), these were all newspapers who had bargained with the Newspaper Guild. In addition, one company (AT&T) was identified, which, as a result of collective bargaining, had been involved in a major effort with three of its unions to develop a new job evaluation method. Though this effort was not undertaken by the company explicitly to provide a basis for pay equity policies, both management and labor had acknowledged its implications for pay equity.

Selection of Employers for Study:

The Committee planned to conduct brief telephone interviews with as many of the companies identified as time and resources permitted in order to

discover the most responsive and interesting cases for two or three in-depth interviews or case studies. This plan became both impossible and unnecessary. Efforts by telephone or mail to reach spokespeople for the six companies which had been sued or settled were unsuccessful. No interviews with this population, therefore, could be carried out.

Because most of the remaining employers were newspapers who had bargained over similar pay equity issues, it seemed pointless to call all of them. Instead the Committee asked the Newspaper Guild to recommend a typical employer to interview. A representative of that employer agreed to a lengthy interview on the telephone if he and his company remained anonymous.

The Committee then decided that the AT&T experience with the development of a new job evaluation method deserved a brief case study if AT&T would cooperate. A top official from AT&T corporate headquarters who had been intimately involved in that project proved to be willing to discuss it on the telephone, and the choice of case study was made.

Information-Gathering Techniques:

Private employers have no obligation to reveal information about their operations, and the issue of pay equity is generally considered to be sensitive. Accordingly, NCPE felt that the use of the telephone interview in which the interviewee may speak off-the-record was appropriate and likely to elicit more information than other more rigid methods.

This method was used for both interviews in this part of the study. Questions asked of the newspaper official were the same as those asked of private employers in the voluntary implementation part of this study and the interview guidelines were the same. (See below)

The AT&T interview on the subject of the job evaluation study also touched on questions about different topics asked of other private employers. Those portions of the interview were handled consistently with the other interviews. The portions of the AT&T interview devoted to the job evaluation study had the same ground rules. The interviewer, however, did inform the AT&T representative that she had spoken about the project with a staff member of the Communications Workers of America (CWA) who had worked on it. The interviewer then asked questions based on her discussions with that union representative.

Handling of Data:

Written notes of the interviews were made by the four different interviewers during the interviews. Whenever necessary, the interviewer explained the notes orally to the author of this report. Additional data for the case study came from notes of the interview with the CWA staff member and from a recent paper on the job evaluation project written by the same CWA staff member and her colleague.

Methods Used in Section IV Study of Private Employers' Views on Voluntary Implementation of Pay Equity

Identification and Selection of Research Population:

To find private employers willing to discuss their views of pay equity, its costs and its prospects for being voluntarily implemented by their company or others, NCPE used the networking method. Business, legal, union, consultant, organization and personal contacts of NCPE's staff and Board and the staff and Board themselves were asked over a period of months what company contacts they had who might cooperate or if they knew anyone who had

such contacts. Through this method, a list of over sixty company contacts was laboriously assembled.

Of this list, a group of forty-four companies diverse as to size, industry, location and unionization or non-unionization was contacted. Most were contacted on an individual basis by phone. Some were contacted at a group meeting. The present Executive Director of NCPE and the Chair of the Board of Directors were invited to address a business association meeting on the subject of pay equity. Senior personnel officials of twenty-one diverse companies attended. They were informed of this study and invited to speak frankly both at the meeting or, later, in private interviews. There was a general discussion of pay equity issues with this group and two follow-up individual interviews. Of the forty-four companies contacted, fifteen agreed to be interviewed. This process of self-selection did not yield an ideal cross-section, but there was considerable diversity on all factors considered.

Design of Interviews:

A written outline was developed to guide interviewers about the intent of the interviews and the questions to ask. However, since the interviews were to be exploratory and anonymous and off-the-record if so desired, it was felt that the interviews could not be too controlled or linear. What was to be stressed was putting the interviewee at ease, finding out what their company was like, what it was doing about pay equity if anything, what their level of awareness about the issue was, what their company expected to do about pay equity in the future and what they thought achieving pay equity in their company or elsewhere would take in terms of time, costs, education, legal action, pressure, or any other factor. The duration of the interviews

was to be open-ended and they were to be held either in-person or on the phone, as resources permitted.

Handling of Data:

Interviewers took written notes during interviews, and recorded impressions in writing afterwards. When necessary, notes were explained to the writer of this report orally.

Summary of Major Findings

Findings from the Survey of Implementation of Pay Equity in the Public Sector

The first group of findings is based on experience with the research process used in the public sector study.

1. Researching data on the costs of pay equity implementation to State and local public sector employers is difficult, cumbersome, time-consuming and sometimes impossible. This is due to the existence of many indirect costs which are not tracked and summarized in any central place, the often archaic and fragmented methods of storing data, and the problem of getting cooperation from busy public employees.

2. The state of the data on this issue is incomplete and preliminary because most jurisdictions are in the early stages of research or implementation. They are focussing on defining and handling the issues with little attention, thus far, to costs. The existing data on costs, as far as it goes, is consistent across jurisdictional lines.

The main conclusions based on the data obtained in the public sector study are:

1. Despite pressure on public budgets, the State and local government

units studied are moving - or being moved - to rationalize job structures and compensation practices to achieve greater "internal equity" and to revalue female-dominated jobs on the basis of comparable worth.

2. The undervaluation of minority dominated jobs is not an issue that has been widely identified, advocated for, or addressed.

3. The focus of most State and local government pay equity efforts at this time is not primarily on estimating or controlling costs, but on defining the problems of pay equity and on addressing them. This appears to be due to the following:

(a) Fear of lawsuits and their costs and possible penalties based on the emerging law on sex-based wage discrimination under Title VII of the Civil Rights Act of 1964, as amended;

(b) Pressure to adopt pay equity as a policy goal from unions, women in the executive and legislative branches of government and women's organizations;

(c) Rising public awareness of the wage gap for women, the undervaluation of women's work and its impact on society.

4. Where implementation of pay equity in the public sector has taken place without court orders and judicially imposed penalties, the costs have been moderate and manageable.

5. As more experience in the implementation of pay equity is being gained in the public sector, an effective exchange of information is taking place, formally and informally, which is reducing the likelihood of costly research and implementation mistakes.

Findings from Section III: An Investigation of Actual Cases of Pay Equity Implementation by Private Employers

1. The data suggests that there has been considerably more private employer implementation of pay equity due to collective bargaining than has been due to lawsuits.

2. Tensions can develop between the results of collective bargaining and the implementation of pay equity in the workplace. Approaches to resolving these tensions need to be developed which are satisfactory to labor and management.

Findings from Section IV: Private Employers' Views of Pay Equity

The first group of findings is based on experience with the research process used in this section.

1. Access to Data: In addition to the usual private company resistance to revealing proprietary data, access to data on company handling of pay equity issues is made even more difficult because pay equity has become controversial and a potential source of expensive litigation.

2. State of the Data: Necessary reliance on off-the-record conversations with senior company officials means that the data is subjective and may be unrepresentative or self-serving. Despite the variety of the types and sizes of companies represented by the interviewees, a true cross-section of business opinion and experience was not available.

The main conclusions based on the data obtained in this section are:

1. The managers interviewed appear to expect that failure to pay women and minorities equal pay for work of comparable value will be illegal within the next few years. There was little evidence among them, however, that they expected the costs of implementing pay equity to threaten their companies economic viability.

2. All the managers of "blue chip" companies who agreed to be interviewed stated that paying employees fairly is good for thejr businesses and cost effective and claim that their companies are practicing or trying to practice pay equity now.

3. There was considerable evidence that managers think market wage rates influence wage setting in their companies only in part and often only indirectly or negligibly in particular cases.

4. There was considerable evidence that managers think pay equity will not be costly in the long run because it will redistribute wages not just raise them. Over time, they expect that some wages will go up and some will go down and the effects will balance out.

5. There was general agreement that the cost problem posed by pay equity is how to pay fairly and still remain competitive. The private sector will be more likely to adopt pay equity voluntarily when it is convinced that the tension between pay equity and competitiveness can be resolved.

6. Managers are suspicious of pay equity because they see it more as a social than a business issue and distrust the assumptions and intentions of its advocates. They are however, more willing to consider implementing pay equity than their first reactions might indicate. In fact, some are addressing the issue in their companies as a matter of good management practice.

7. There appears to be a need in management circles for considerably more education on what pay equity is, how it is measured, and how it is implemented. Several senior business officials, including personnel officials, seemed perplexed or showed a lack of understanding of the issues involved.

SECTION II

THE COST OF IMPLEMENTATION OF PAY EQUITY BY PUBLIC EMPLOYERS

Summary and Analysis of the Public Employer Survey Responses

The survey responses from fifteen States, five cities, one county, two State universities and one school district contained masses of data about the respondents' work forces and about studies they had done which had prepared the way for pay equity. There was less data about the status of pay equity implementation efforts, and data on the actual costs of pay equity implementation turned out to be sparse.

To draw any conclusions about the cost of pay equity implementation, therefore, it is necessary first to estimate the size of the pay equity problem as revealed by the data showing the characteristics of respondents' work forces and the data showing the results of the studies; second, it is necessary to analyze the costs of the studies themselves, the costs of the job evaluation systems based upon them, and the estimated costs of implementation as revealed by the data on the studies and on implementation.

Since the data is uneven or sometimes lacking in all of these areas, the analysis must be somewhat speculative. Still, there is enough data to come to conclusions that are suggestive if not definitive.

To make the task of analysis easier, the data has been arrayed in a series of substantive tables. These summarize the data for each respondent in a manner which allows comparison between and among jurisdictions. These

tables appear in Appendix I.

Tables I, II and III summarize respondents' work force characteristics relevant to the pay equity issue. Table IV summarizes basic information about the compensation, classification or job evaluation studies which laid the groundwork for pay equity efforts. Table V summarizes basic information about respondents' implementation of pay equity and its costs. The tables should prove useful independently as reference materials as well as being the basis for the analysis below.

Respondents' Work Force Characteristics: The Size of the Pay Equity Problem:

As Table I shows, State work forces are fairly evenly divided by sex but show a wide variety of division between minorities and whites. The minority/white distribution appears to reflect the differing distribution of minorities in the population of each State. At the county level the division by sex shows no clear pattern and the division by race reflects the fact that whites predominate in county populations. No effort was made to determine if the proportions of minorities in the States and counties mirror the proportions in public employment since that is somewhat tangential to the narrow pay equity issue under discussion in this study. It is relevant, however, to other issues of equal opportunity in employment, such as equal access. In the category of State university and school districts, little data was available. The data do suggest, however, that women predominate in public school and college employment (teaching and staff).

Table II shows the highly sex-segregated nature of public employment in the States surveyed. It occurs in all States for which there is data and shows that there are more male-dominated classes than female-dominated classes by large margins. These margins are roughly the same in all the

States except Iowa and Montana where they are less. At the city and county levels, sex-segregation persists with male-dominated classes again exceeding female-dominated classes in number. The data make clear that men work in more categories of jobs in these jurisdictions surveyed than women do and that men work mainly with other men.

Table III shows that in the ten States surveyed for which there is sufficient data, women's average annual salaries are less than men's. On average they earn 79% of what men earn with most making about 76% of what men earn. The data for minorities and whites show minorities (men and women) consistently earning less than whites, on the average earning 88% of what whites earn. At the city and county level, the few available figures show a similar pattern for women's wages. The average annual salary for women in the States with data available was $17,270. For men the figure is [illegible]. The average annual salary for minorities in the three States with data available is $18,279 while that of whites is $20,671. Women (white and minority) earn less than men and less than minorities on average.

The figures in these data are not drawn from a random sample and cannot be said to be representative of all jurisdictions of their type. They are, however, remarkably consistent with each other. They suggest that more than a 20% average wage gap exists between women and men in public employment. How much of this gap is due to the systematic discriminatory undervaluing of "women's work," work done by women in female-dominated job classifications, is the pay equity question. What it will cost to close this gap is the concern of the next section.

Cost Implications of Pay-Equity Related Studies Done by Respondents

As Table IV shows, almost all of the public employers who responded to the survey have done one or more studies of their work forces which have given them information they thought they needed to implement pay equity. There are only a few exceptions. Among the States Florida has not done a study, though there is movement in the legislature to have one done. The University of Washington did no study on its own but was covered by studies done by the State of Washington.

The studies listed and described in Table IV, except as noted, are compensation, classification or job evaluation studies. They vary in aim, scope, depth, methodology, who performed them and cost. Among the States, multiple studies are common. Five States have done two each, two have done three, one has done four, one has done five, and one has done seven. The one county has done two studies. Among the cities, three have done two studies and two have done one. The school district and the State universities have each done one study or had the benefit of one. Not all of these studies were undertaken with the issue of pay equity in mind. They are included here because the implementation of pay equity drew or will draw on their results.

In determining the cost of pay equity implementation to public employers, it is necessary to consider both the direct and indirect costs. Where to draw the line on such indirect costs is open to discussion. For purposes of this study, data on more rather than fewer indirect costs are included.

A useful approach to analysis of the study data from a cost point of view is to look at them through the eyes of a public employer who has yet to implement pay equity or undertake a study. To such a public employer, the cost question about studies is, "What do I need to know and whom and how

much do I have to pay to learn it?" Since the survey information about the studies is abbreviated and incomplete, and the consequences of most of these studies not yet known, Table IV does not anwer that question fully. The information presented can only help to answer the question. Table IV helps by spelling out for the cost-conscious public employer (and for the policy analyst and issue advocate) the many cost-related elements which have been involved in the study phase of pay equity implementation. It also helps by documenting what jurisdictions have made which choices and, in so doing, provides a guide to the experiences of different jurisdictions. The lessons of that experience can best be obtained directly from the public employers involved, but a review of what Table IV provides an introduction to those lessons.

Study Types and Aims

The great variety of studies undertaken by the public employers surveyed are described briefly in the "Aim and Type of Study" section of Table IV. From a cost point of view this information is useful because it makes clear that there are many ways to proceed. Which is best is not clear, but that there are options is. The question becomes, "Why did these jurisdictions proceed in the way they did?" "Was it cost-effective?" "Why and why not?" Since decisions by public employers are not purely management decisions, but involve political considerations in one form or another, the analysis of cost questions must include the political dimension. The cost-conscious public employer will have to estimate what studies and how many are needed not only from a technical point of view but also from a political one. It seems obvious from the table that preliminary studies preceded fuller studies partly to identify issues and raise political awareness and were not done simply to obtain information.

Most of the studies reported in Table IV were job evaluation studies and most of these used point-factor systems which evaluated jobs on the basis of factors common to all jobs such as skill, effort, responsibility and working conditions. This was particularly true of the studies undertaken within the last five years. Where preliminary or pilot studies were done, they were followed by more comprehensive point-factor job evaluation studies. Point-factor systems seem clearly to be the trend in job evaluation. A related and very recent trend appears to be studies of existing point-factor systems to assess whether or not they are sex or race biased and to correct them if they are. (See, Ohio, New Mexico, Maryland) The cost lesson here seems to be to develop a point-factor job evaluation system at the outset that is not biased, and not to assume that existing systems or consultants will provide bias-free evaluations. New York appears to have taken that approach.

The Duration of Studies

Table IV notes when studies began and, wherever possible, when their results were reported. The time taken for studies is a cost element that needs to be analyzed. The time periods of studies which seem to be comparable in scope vary widely. The State of Connecticut is taking five years to do a study of all state jobs that ressembles the study of all state jobs that was done in Iowa in sixteen months. Why this is so, and what the cost implications are requires further investigation. Does haste make waste? The quality of the study done in Iowa was criticized by the Iowa respondent. On the other hand, a long slow study may use too much employee time, or may have political costs with dollar implications. In Connecticut, for instance, the delay in implementation put pressure on the unions to

distribute money that had been earmarked for eventual pay-equity increases. Table IV does not show time spent before a study starts to learn the issues and plan a course of action. Materials sent by respondents stress the importance of quality preparation. It, too, has costs.

Study Leadership

As the "Performed By" category in Table IV shows, all studies are not done by consultants. Several studies have been done by in-house staff. Others have been done by consultants in partnership with in-house staff. There is a pattern of appointing oversight committees, advisory committees and participatory evaluation committees. There is also a pattern of using employees to help carry out studies. All of these procedures have costs in time and money that have not been broken-out by the jurisdictions involved. These costs may require further evaluation.

Participatory procedures have been instituted to control consultants and to insure that systems are responsive to those affected by them. Respondents have reported both good and bad results. Participants can have useful input into studies but they can also be manipulated. Committees can be "stacked" with carefully picked employees; consultants can intimidate and mystify "non-experts", oversight committees can distort findings to fit their political aims; consultants can strive to please management (which pay their bills) and slant results accordingly. Allegations that all of these have happened have been raised by one or more respondents. Copies of study reports from Ohio, and Portland, Oregon stress the value of a leadership that is informed and representative, and both report good results. Burlington, Vermont respondents regret not having known more and not having exerted greater control over their consultant. The Iowa experience with

participation appears to have led to a messy situation that is yet to be cleared up. (See, Iowa, Table IV). Poor participatory study practices lead to a loss of confidence in the study results and to political fallout that can cost money and damage support for pay equity.

Study Costs

Under "Cost of Study", Table IV reports the direct costs of each study and where the funds came from (where this information was available). Study costs vary widely in proportion to the size of the work force studied, but since the data does not permit a true comparison of studies, the significance of this is not clear. Studies of one kind or another appear to be essential to the implementation of pay equity. They provide a basis for the expenditure of public funds. Some study costs, thus, seem inevitable. Minnesota kept study costs down by building on a prior study, focussing on female wage depression and using in-house staff. New Mexico went ahead with pay equity increases after a limited, in-house study. Then the State undertook another study, apparently intent upon more internal pay equity than it had already achieved. The data suggests that is is possible to raise wages to establish greater pay equity without expensive studies, but that has not been the trend so far.

Study Results and Findings

The results and findings in Table IV highlight the personnel system problems and pay inequities that studies have found need correction. They give a sense of the types and extent of these and provide some basis for estimating the costs of correction. Several findings, for instance, confirm a 20% average male/female wage gap for comparable work (See, City of

Seattle, Michigan, Minnesota). They also indicate that some classification and compensation systems need substantial overhaul (see, Montana, Illinois, Washington, Chico Unified School District). The study results show that corrective action has been targeted to women without reforming or replacing whole personnel systems in some cases, but not in others. If women are made to wait until an entire system is reformed, their progress upward is bound to be slower and to be associated with, though not the cause of, much larger costs. Political realities may dictate either course.

Implementation of Pay Equity By Respondents and Its Costs

The data arrayed in Table V give a picture of how far implementation of pay equity has progressed in the public jurisdictions studied. At the same time, Table V puts the current status of implementation into perspective by noting the forces pushing implementation and displaying the relation between the estimated costs of implementation and the jurisdiction's total and personnel budget.

Unfortunately, the quality and quantity of the data available on both costs incurred and estimated costs is less than the best. From a cost point of view what is most striking in the data is the relatively low cost of pay equity. It seems to require only a small percentage increase in state personnel budgets.

In Iowa the figures suggest an annual pay equity cost of about 12% of the personnel budget for three years, less if implementation is stretched out even more. This figure represents the cost of comparable worth adjustments for all employees, not just women. In Minnesota, pay equity for women only is being phased in at a cost of one and one quarter percent of the payroll budget a year. New Mexico estimates of full pay equity for

women are proportionately about twice that of Minnesota, but obviously still reasonable. The costs of pay equity increases for women in Burlington, Vermont were about one half of one percent of the payroll budget. In Renton, Washington, total implementation costs were three percent of the payroll budget.

The figures also show that the study phase of implementation represents a tiny portion of implementation costs. Considering the impact of these studies, it seems that jurisdictions could be penny-wise and pound-foolish to stint on studies.

Table V makes clear that implementation of pay equity is in its infancy. In 1985, many studies will be completed and new implementation efforts begun. A better estimate of pay equity costs will be possible in a few years. On the basis of partial but quite consistent data from NCPE's survey, the costs of implementing pay equity in the public sector appear to be moderate and manageable.

Pay Equity Case Study: State of Minnesota

In 1981 a task force was established by Minnesota's legislative advisory Council on the Economic Status of Women to study pay practices for male and female employees in State service. This study documented salary disparities between male-dominated and female-dominated job classes and recommended that the legislature appropriate money to eliminate the disparities. In 1982, the Minnesota State legislature introduced and enacted legislation requiring that comparability of the value of work be the primary consideration in establishing compensation for state government employees. Pursuant to that legislation, in 1983, $21.8 million was earmarked for pay equity from the $100.8 million appropriation for the biennium. The funds were allocated among State bargaining units in proportion to the number of undervalued women's jobs in those units. Actual adjustments were allocated to the eligible female-dominated job classes though the regular collective bargaining process. Other money was reserved for non-union confidential and management positions. About 150 unionized job classes accounting for over 8200 employees received pay equity adjustments averaging $1600 over the next two years. Pay equity will be totally implemented in a similar manner and at similar cost in two more years.

All of this happened quickly and smoothly without any noticeable public controversy. How a major new approach to public employment compensation moved to fruition with such apparent ease, and how this affected the costs of pay equity implementation is discussed below.

The Political Preparation:

The political groundwork that had been laid for public and official acceptance of pay equity was extensive and has a long history. Minnesota has had an active women's community for many years. Women's organizations had been educating the public and legislators about women's issues for so long that legislative consciousness was high.

Identifiable efforts around women in employment go back to 1975 when AFSCME bargained with the state for a special study of pay for clerical classes dominated by women. The study was not carried out because of lack of funding, but the issue was raised. In 1976 the State's Commission on Women was formed. The first thing it studied was the status of women in employment. It found that sex segregation and low-pay for women was apparent. The Commission issued a series of reports on this issue every year until 1981.

In 1981, the Commission was reorganized into the Council on the Economic Status of Women, a legislative advisory body. Its members were legislators, state employee union representatives, and members of the public. (In 1983, ordinary citizen membership ended). Among the Commission's members were influential chairs of legislative committees including the Chair of the Committee on Employee Relations and the Committee on Public Employees and Pensions. There were representatives from AFSCME, the largest union and the one with the most political clout, the Minnesota Association of Professional Employees, the second largest, and smaller unions and employee associations: the Law Enforcement Officers Union, the Engineers Council, the Minnesota Nurses Association, the Association of Institutional Dentists, the Middle Management Association and the State Residential School Educational Association (NEA). These unions represent about 86% of the approximately

34,000 full-time State employees in Minnesota.

A broad and powerful constituency knew of the pay equity problem and was involved in formulating the pay equity recommendation to the legislature. There is little question that this political preparation accounts for much of the apparent speed and smoothness of pay equity implementation in Minnesota.

The Study Strategy:

The approach which the Council's task force took to its study of pay equity was pragmatic. They did not worry about a perfect job evaluation study, but worked with that they had.

In 1979, Hay and Associates, a personnel consulting firm, and the State Department of Employee Relations had established a job evaluation system to measure the content of jobs in State service. It was a point-factor system which assigned points to jobs based on four factors: (1) know-how, (2) problem-solving, (3) accountability, and (4) working conditions. The "value" of a job was determined by adding up the point value for each of the factors. The task force used the Hay system to document salary disparities. This cut the cost of the study down and reduced the amount of time that would have been involved if they had taken a new approach. The legislature would have been less responsive to their doing an expensive and lengthy study, so this approach also gained them support. Another advantage of their approach was that they were working with a system they understood thoroughly. Technical mastery was not a problem.

The State Law:

The comparable worth law which the legislature passed in 1982 was

stronger than most State laws on this issue, primarily because it included implementation language and set a timetable and process for implementation.

The policy statement reads:

> "It is the policy of this state to attempt to establish equitable compensation relationships between female-dominated, male-dominated, and balanced classes of employees in the executive branch. Compensation relationships are equitable within the meaning of this subdivision when the primary consideration in negotiating, establishing, recommending, and approving total compensation is comparability of the value of the work in relationship to other positions in the executive branch."
>
> (Minnesota Statutes 1982, Chapter 43A, subd. 3)

The procedure the law established for making pay adjustments is as follows:

* By January 1 of odd-numbered years, the Commissioner of Employee Relations submits a lists of female-dominated classes which are paid less than other classes with the same number of Hay points. Also submitted is an estimate of the cost of full salary equalization.

* The Legislative Commission on Employee Relations recommends an amount to be appropriated for comparability adjustments to the House Appropriations Committee and the Senate Finance Committee.

* Funds for comparability adjustments are appropriated through the usual legislative process. These funds are within the salary supplement, but may be used only for salary equalization according to the job classes on the list submitted by the Commissioner. Any funds not used for this purpose revert back to the state treasury.

* Appropriated funds are assigned to the different bargaining units proportional to the total cost of implementing pay equity for the persons in the job classes represented by that unit. The actual

distribution of salary increases is negotiated through the usual collective bargaining process.

Unlike the State of Washington which delayed implementation of its job evaluation study, or the State of California whose comparable worth law does not incorporate implementation provisions, Minnesota took a business-like and serious approach to the pay equity problem and insured timely action to remedy it. At the same time, it did not make the mistake of being overspecific about the implementation of comparable worth, a mistake made in the Iowa comparable worth implementation law.

The Budget Situation:

In 1983 when the pay equity money was allocated, the State's budget situation was not good. There had been five special sessions to deal with budget problems. It was a recession year, State tax revenues were down, and federal cut-backs were hurting. Yet the appropriation was made. This was partly due to the moderate cost of implementing pay equity, an estimated 4% of total payroll. There was also a perception that the money required was not "new" money, since it was a percentage of the money usually set aside every two years for salary supplements.

The decision to phase in payments over four years was essentially worked out ahead of time between the Governor and the House and Senate leadership. Since support for the issue was well-established, no aspect of implementation became a political football. Minor changes about the percentage of the total estimated bill to be allocated each year were painlessly negotiated.

It was undoubtedly important to legislative acceptance that the costs of pay equity were phased-in and that instant implementation was not

necessary. The fact that the pay equity increases for women were accompanied by cost of living increases for everyone also helped to make the appropriation politically palatable.

Another aspect of the process that helped the appropriation get though was legislative confidence in the cost estimates for implementation. The estimate made by the task force held up under scrutiny. Both the Senate and House Finance Committees using different methodologies had made their own estimates, but had come up with the same numbers.

The Impact of Implementation:

The implementation of pay equity in State employment has so far not turned up any notable problems. The phased-in increases reduced friction between co-workers. Everyone got something and nobody lost anything. Downgrading was possible, since the statute does not prohibit it, but the State chose not to bargain for any downgrades. It may use its option to do so in the future and the impact of that will have to be assessed then.

The system established to evaluate pay equity has built-in flexibility. It uses the top of the salary range in a job classification to compare male and female jobs. It draws a line through these points for male jobs plotted on a graph to set the norm. Then it charts which male jobs are above and below the line. It follows the same procedure for female jobs. The point of the system is to raise female salaries, over time, to the male line. Everyone is not being raised in lock-steps. Eventually both male and female jobs will be scattered around the line.

The law allows for factors other than comparable worth to be considered in setting pay, including "external comparability". While comparable worth is to be the primary consideration, there is room to react to any

recruitment problems that might arise. There is in Minnesota an internal Personnel Department practice that allows offering a higher salary if the hiring official can prove that he or she cannot get anybody to fill a spot without raising the salary. In practice, such claims usually do not stand up.

There has been some rumbling by unions representing job classifications that are "balanced" (not seventy percent dominated by either sex) that men should be raised to the male line as well as the women. The response of the State so far has been that the State's intention was only to address sex-based wage discrimination against women.

The Minnesota Department of Employee Relations has noted that one effect predicted by opponents of pay equity has not come about. This predicted effect is that pay equity will discourage women from seeking non-traditional jobs. Recent data from the Department's Equal Opportunity Division shows this is not the case. Minnesota state employees have been receiving pay equity increases since mid 1983. During the period from July 1983 to July 1984, women increased their representation in each of the bargaining units representing jobs which are non-traditional for women. There was a six percent net increase in the number of women working for the State of Minnesota during this period. At the same time, there was a nineteen percent increase in the number of state-employed women in non-traditional jobs.

Summary Comment:

The cost of implementation of pay equity in Minnesota will be, when complete, about four percent of the total state payroll. This is a moderate cost. Even so moderate a cost could have been rejected by a State that was hard-pressed financially, but it was not rejected. A high degree of public, union, and legislative consensus made a cooperative orderly approach to the problem and its implementation possible despite budget difficulties. The State has not been sued, even though it has a job evaluation system that may not be perfect. A state official attributes this to the widespread perception that the State has been making a good faith effort to correct the problem. She predicts that a State will soon be sued not because it made a job evaluation study but because it did not. It seems apparent that the Minnesota approach to pay equity is likely to cost less than efforts undertaken with less good faith or as a result of a lawsuit. It contrasts remarkably with the back pay awards that the State of Washington may have to make as a result of AFSCME v. Washington, which may run higher than $500 million.

An official of a union which represents Minnesota public employees said in an interview in which he spoke approvingly of what the State had done, "The source of their success was that they maintained unanimity." As this study shows, that unanimity depended upon many factors. Among the most important were a long process of political preparation, and project leadership which had (1) a pragmatic approach that kept the goal of equity for women in view and focussed accordingly, (2) had a sound working knowledge of the job evaluation system being used, and (3) had a close working relationship with the various elements of the State's power structure.

Pay Equity Case Study: Contra Costa County, California

A coalition of unions representing female-dominated bargaining units of Contra Costa County employees in April, 1984 negotiated comparable worth wage adjustments for all female-dominated classes. A review of the history of the negotiations and the efforts of the county and the unions throughout prolonged, arduous collective bargaining is discussed below, with special emphasis on the role that the "ability-to-pay" question played as the negotiations progressed.

Background:

In order to fully appreciate the context within which bargaining took place, it is necessary to provide some background regarding the bargaining situation and economic environment in Contra Costa County. Agreements between Contra Costa County and its employees expired on June 30, 1983. Although bargaining had begun prior to the contract expiration dates, the difficult fiscal circumstances existing in the County precluded the negotiation of a mutually agreeable settlement before the beginning of the next fiscal year and the start of a new contractual period.

The fiscal situation in Contra Costa County was not unique to that jurisdiction in mid-1983. At that point in time, the nation had just begun to emerge from a deep recession. California and Contra Costa County like other State and local governments were experiencing fiscal stress. In addition to feeling the loss of revenues from the recession, the State and the County were suffering from the reductions in federal grants-in-aid which

had taken place in the early 1980s. They were being forced either to reduce services in the face of federal cutbacks or, if services were to be maintained, to find alternative sources of financing.

The situation for local jurisdictions in California, unlike other States, was complicated by the fact that the taxing powers of these localities had been severely curtailed by the passage of Proposition 13 in 1978. Localities like Contra Costa County were forced to adjust to significantly changed fiscal circumstances in the post-Proposition 13 era.

In this environment, the fiscal health of a jurisdiction and the ability of employers to fund wage and benefit increases of any magnitude is an issue that both employers and employees have had to face at the bargaining table. Efforts to negotiate "pay equity" adjustments for employees have, nonetheless, advanced in Contra Costa County.

Bargaining Situation

As indicated above, the contracts covering the County's employees expired June 30, 1983. Negotiations continued into the next fiscal year as employees worked without a new contract and both sides continued their attempts to reach agreement. The unions which represent workers in the County are local 535 of the Service Employees International Union (SEIU), Local 512 and Local 2700 of the American Federation of State, County and Municipal Employees (AFSCME), the California Nurses's Association (CNA), and Local 1 of the Contra Costa County Employees Association (Local 1).

SEIU, AFSCME and CNA, representing 2300 county employees, formed the "Coalition for Comparable Worth" in order to strengthen their hand at the bargaining table during the negotiations. Diana Doughty of AFSCME Local 2700 took the lead in forming this Coalition after Sunne McPeak, a woman

member of the County Board of Supervisors, proposed that the Board make comparable worth an affirmative action goal for the County, and the Board unanimously agreed. This 1982 resolution followed a study by a women's Task Force pointing out that women in the County earned only 53¢ for every dollar earned by a man.

Bargaining began, but proceeded slowly. McPeak convinced the County to put forward an innovative comparable worth proposal promising that for every dollar of wage increases there would be fifty cents for pay equity - if any dollars at all could be found. Both sides had agreed to the 2:1 ratio. By August, Lee Finney of SEIU, a member of the Coalition negotiating team, felt the County was stalling. She decided the Coalition needed more ammunition. With help from the Comparable Worth Project, she turned out an effective, graphic document which used information from the unions and from the employer on the wage and gender composition of the workforce to indicate the existence of serious wage inequities.

Finney's report showed that women, who comprised 59% of the work force in the County, earned wages averaging 60% of those of male County workers. Furthermore, women were concentrated in classifications at the low end of the wage scale. The study found that the difference between the average male salary and the average female salary was close to $8,000 per year. The report analyzed data from the five largest individual departments. In the two largest departments which were female-dominated, men were concentrated in the highest paying classifications, while women dominated the lowest classifications.

Finney's report was not a job evaluation study which detailed, by job title, the magnitude of the "wage gap" and quantified the exact pay increase that was necessary to eliminate wage discrimination in the County's pay

plan. However, her study stated, "...[O]ver time, the only equitable basis for negotiating salaries is to adopt a job evaluation system which is not tied to prevailing market rates." The report presented estimates of the cost of pay equity adjustments for female-dominated classes represented by the unions in the Comparable Worth Coalition as well as for all female-dominated classes in bargaining units in the County (Local 1, Contra Costa County Employees Association originally a Coalition member had dropped out). The costs were based on arbitrarily chosen percentage increases of 5% and 10%. These are termed "arbitrary" because no quantification of existing inequities based on the relative worth of jobs was done. It was clear, however, from the general analysis that pay disparities between men and women greatly exceeded 10%, and possibly averaged 30%. The report estimated that a 5% increase for female-dominated classes represented by all unions would cost $2.8 million; a 10% pay increase, twice that.

Fiscal Considerations:

As indicated in the background section, Contra Costa County was having financial problems prior to the onset of bargaining with the unions. In addition to those, the County had a legal obligation to maintain a balanced budget, and the situation was complicated by the discovery of a "bookkeeping" error which came to light in the health services department, amounting to $17 million. In a County already in fiscal distress and with a total budget that amounted to $315.6 million, the discovery of this miscalculation intensified the difficulty of the negotiations with the employee unions. Partly as a result of the financial problems, several key County jobs changed hands during the negotiations. Political turmoil accompanied fiscal stress.

Initially, the County's response was to propose a 5% wage cut and identify alternative measures to reduce County expenditures. The women representing the union stood firm in their demands for both a general wage increase and equity adjustments, arguing for alternative methods of solving the County's financial difficulties.

Throughout the negotiations, the coalition unions offered their suggestions for balancing the budget, easing the fiscal situation in the County and still granting workers the 2:1 wage and pay equity increases. One major breakthrough came when an agreement to refinance two county buildings gained the necessary approval. Shortly after this complex financial package was put together, the chief union bargainer, Donna Gerber from CNA, rejected an offer to the nurses that could have split the Coalition. The Coalition's solidarity impressed the county, and McPeak was able to persuade the Board to reach agreement with the Coalition on the comparable worth proposal.

Five key points should be stressed here. First, according to both County and union sources, this comparable worth agreement would never have been reached if not for the leadership of women. Not only the women named, but other women on the Board of Supervisors, in union leadership, in the rank and file, in County government, in women's organizations, and in the Central Labor Council AFL-CIO provided strength. It was their shared commitment to the issue that made the difference. The second point is the employees' adoption of an active role in trying to find solutions to the County's fiscal problems, while refusing to have women make further sacrifices. For technical reasons, the unions had to cooperate to allow the refinancing of the two County buildings. This gave them some leverage, but they used it responsibly. Third, the union's creation of a study not only

bolstered their case, it educated them and their members and strengthened the resolve needed to stand fast during eighteen months of bargaining. Fourth, the union's adoption of a "first phase" approach to comparable worth was critical. By identifying the gross outlines of wage disparities and asking for only a partial closing of the gap, the Coalition made the cost to the County more manageable. Fifth, unity among the unions was indispensable. The Coalition itself and its ability to stay together was key, but it was also important that Local 1 supported the comparable worth issue. Local 1 represented not only many female-dominated bargaining units but also the male-dominated units and by itself was the largest union in the county. There was strain between the Coalition and Local 1 during the negotiations but, despite Local 1's concern for protecting the interests of its male members, it did not undercut the Coalition's efforts as it could have.

Contract Settlement:

The final settlement negotiated between the unions and the County included both a general wage increase for all County workers as well as equity adjustments for identified female-dominated classes. The additional wage adjustment for these classes amounted to a 3% pay raise on top of the 5% across-the-board increase granted to all County workers for the year ending June 30, 1985.

The contract (and pay increases) were effective August 1, 1984, a full thirteen months after the expiration of the previous agreements with the employer. The unions did not demand retroactive raises for the year of negotiating which made the cost of the settlement to the County considerably more reasonable.

The comparable worth agreement, however, established the beginnings of a longer-term effort for the total elimination of wage discrimination in the County. The agreement provided for the formation of a task force to:

1. Review and monitor all legislation relating to comparable worth and advise the County on an ongoing basis of the impact of such legislation.
2. Review and monitor all decisions by Courts of record regarding comparable worth and advise the County on the impact of such decisions.
3. Research and recommend to the County sources of revenue which can be utilized to fund comparable worth adjustments.
4. Analyze the County salary plan and recommend to the County which benchmark classifications should be included in addressing comparable worth in the meet and confer process.

The language of the fourth point is considered ambiguous by the unions. It does not call for a job evaluation study and this appears to reflect the County's (and McPeak's) fear that a job evaluation study could lead to the County's being sued for discrimination. This fear springs primarily from worry over the implications of Judge Tanner's opinion in AFSCME v. Washington (now on appeal) which found that the State had discriminated by not acting on its own job evaluation study that found wage disparities. It also springs from familiarity with the experience in San Jose, California where an EEOC discrimination complaint based on a job evaluation study bargained for by the union complicated a later round of bargaining.

The County agreed to establish the Task Force by July 1, 1984 with representation from each union choosing to have representation and no more than an equal number of management employees. The Task Force was given a mandate to report back its recommendations by March 15, 1985.

Contract Implementation:

The Comparable Worth Task Force has been meeting since the end of August 1984. The management representatives are mostly women. The Task Force is co-chaired by Lee Finney and by William Hamilton, the County's Chief of Employee Relations.

The members of the Task Force have been educating themselves on the intricacies of job evaluation and comparable worth. They have been studying the point systems set up in Washington State and San Jose. They are matching benchmark job classifications in Contra Costa County as closely as possible with benchmark classifications rated by the studies in those jurisdictions. By using these "piggy-back" ratings to chart a wage trend line, they can compare the position of other jobs relative to the trend line. They are conscious that this "piggy back" method is not as good as a full study. What will come of this consciousness remains to be seen.

In an interview, Lee Finney commented that the Task Force is also aware that the Willis studies done for Washington and San Jose have been criticized for being full of sex bias. She is not bothered by that because she is aware of methods for eliminating sex bias from job evaluations developed by Helen Remick, a well-known consultant in the job evaluation field.

Finney and William Hamilton, also interviewed, report that the Task Force is just beginning to address point three in its mandate, the task of finding sources of revenue to fund comparable worth increases. Hamilton also co-chairs a second management-labor Comparable Worth Task Force which includes representatives of Local 1. He reports that both Task Forces are assuming that there needs to be a "separate pot" of money for pay equity increases.

Finney, Hamilton, McPeak and Henry Clark, business agent for Local 1, all agree that there is a potential for a split between male-dominated bargaining units and female-dominated bargaining units if pay equity increases for women come out of the money available for regular wage increases. Hard feelings and a near labor revolt over such a situation occurred in California last year when Governor Deukmejian vetoed an appropriation of money for state pay equity increases and those increases, negotiated by the Civil Service Employees Association, had to come out of the regular increase funds.

Finney says her Comparable Worth Task Force will be looking for existing sources of tax, fee or interest revenues that could logically be earmarked to fund pay equity. McPeak, who is also President of the County Supervisors Association of California, supports separate pay equity funding not only in the County but also at the State level where she thinks the issue is not dead. She feels the State should also provide some of the money necessary for pay equity in the counties.

Impact on the Private Sector

Both union and County sources noted the response of private employers in Contra Costa County to the pay equity increases and comparable worth policy of the County. The response is opposition. This troubles McPeak who considers herself a friend to business and is active in leading business organizations and the County Development Association. Clark and Finney note that the County government is the largest single employer in the County, and therefore, can have significant impact on the labor market. They say that the large companies in the County are making their displeasure known to the County government.

Contra Costa County, located thirty-five miles east of San Francisco, is exploding economically, according to McPeak. Major corporations are moving large portions of their business operations out of San Francisco in search of lower rents, lower land costs and a favorable labor supply. Many of the operations moved are back office operations and the County is becoming an office job mecca. Perhaps two hundred thousand such jobs are becoming available in the County in the 1980's. Clark acknowledges that these companies have reason to worry that higher wages in County office jobs will force these companies to raise their wages. In his opinion, such wage raises are long overdue. "You can't just correct the [comparable worth] problem in the public sector," he said. "The major problem is in private industry. The majority of the work force is there."

Summary Comment:

The Contra Costa experience points up many of the factors impacting on the cost of implementing pay equity in public employment. These include the fiscal condition of public employers, the social and political influences on public budgets, collective bargaining, and the fear of lawsuits and legal penalties. In this case, fiscal stress and cost considerations were not sufficient to halt the progress of an issue which had strong and broad support from women and unions.

Pay Equity Case Study: Burlington, Vermont

In December, 1982, the City of Burlington, Vermont hired a consultant to assess positions in the City service on the basis of objective job criteria. The consultant was told to recommend to the City a reclassification and compensation plan which would treat employees fairly and equitably, provide equal pay for equal work and the same pay for comparable jobs, establish pay rates which were "comparable within the Burlington Labor Market", and which could be implemented in a fiscally responsible manner which recognized the City's ability to pay. After the study was completed in 1983, the City adopted a resolution stating that it was "committed to the principles of equal pay for equal work and equal pay for work of comparable value..." and adopted a modified version of what the consultant had recommended. Despite the City's genuine commitment to internal equity, the system adopted failed in an obvious way to achieve it and the City has had to begin working to remedy this failure. This unfortunate outcome has caused a loss of employee and management confidence in the system, some divisiveness in the work force, and the need to reform the system a second time at presumably substantial additional cost. How this happened and what can be learned from it is discussed below.

Background

Burlington is a small city of approximately 35,000 people. In 1981, a new and progressive mayor was elected. In 1982, male union leaders of AFSCME Local 1343 brought to the new administration a long-standing problem with compensation differentials between union and non-union employees

performing comparable work. Their complaints led the new administration to decide to take a fresh look at the entire personnel system which needed updating in many respects.

When the matter of hiring a consultant to redo the system was being discussed in the Board of Alderman, the city's legislative body, Alderwoman Zoe Breinner moved that the consultant be told to include the principle of equal pay for work of comparable worth in the system he developed. The Board agreed.

The consultant, who was selected after competitive bidding, employed a point-factor method of job evaluation and addressed 140 classifications of positions filled by approximately 368 full-time employees. He used five factors: Education and Experience, Supervisory Responsibility, Environmental Conditions, Difficulty of Work and so-called R-Factors (Responsibility, Replacement/Recruitment, Security and Uniqueness). The factors were weighted. Some were scored three times. Others eight times. The R-Factors were worth from 0-50 points each. According to a later union study, bias in favor of male-dominated positions was built into the definition of certain factors. It was also built into the weighting system.

Using point scores obtained on the basis of these allegedly biased and unfairly weighted factors, he assigned each classification a place in a single hierarchy, based on comparable worth as defined by the point scores. He then broke this single point-based hierarchy into four broad based occupational groupings: Managerial Group, Professional and Administrative Group, Trades and Services Group and Public Safety Group. He redistributed the single hierarchy into four hierarchies, one for each group ranked according to the same point scores. Each group had a different pay scale.

Once the separate groupings were established in ranked order, he

allocated individual positions to different pay levels based on factor points. The salary ranges differed for the four separate group pay scales. The four group pay scales had their own hierarchy. The same number of points in Managerial, for instance, always paid more than in the other groups. As an AFSCME analysis later pointed out, in effect, the four separate group pay scales threw out the hierarchical rankings established through the factor evaluation process. The separate pay scales reintroduced the inequities that the factor evaluation process would have eliminated if they had not themselves been biased and unfairly weighted.

Part of the consultant's problem was that he misinterpreted the concept of pay equity. He confused pay equity, which is "internal equity" within an employer's work force, with "external equity" which is marketplace competitiveness. The City, however, did not realize any of this. Nor did the union locals.

The City had not liked the pay scales, salary steps, and longevity increases that the consultant had recommended and had modified these before putting the plan into effect. It had not, however, looked at the whole conceptual scheme. With the best intentions it paid out $240,000 in pay equity increases. The City only began to suspect that the whole system was inequitable when large numbers of individuals complained about the valuation of their jobs. Several women librarians in January 1984 began looking at the study information they had received from the consultant. They noticed that the pay scale groups had segregated women once again. The Professional and Administrative Group was all women, the Trades and Services Groups all men; the two others were mixed. They felt something was wrong. Eventually their complaints to their AFSCME union leaders and the analysis of the plan done by AFSCME headquarters in Washington were brought by the union to the

City's attention. The City agreed to deal with the problem and set up a committee composed of the Aldermanic Salary Committee and representatives from the unions to deal with the study problem. A group of AFSCME women led by Rosemary Richards, the librarian's shop steward, had formed a Pay Equity Committee and wanted a basic reevaluation. The union leaders could not decide what to do. Finally, Alderwoman Breinner heard about the problem at a conference on pay equity sponsored by the Pay Equity Committee in October, 1984. She went to the Mayor and he, his Personnel Director, James Dunn and the Board of Aldermen are moving to repair the situation.

Over-reliance on a Consultant:

Though the City of Burlington meant well, neither the Board of Aldermen nor the city officials had a sophisticated understanding of comparable worth issues when they hired their consultant. Women's organizations in the city had not taken up the issue of comparable worth as had happened in many other cities. No local studies of any kind had been done and public awareness of the issue came from the mass media. The City thought that explaining what it wanted to a professional consultant was all it had to do by way of leadership.

Dunn, who was not Personnel Director at the time the contract was let, feels it is clear that the City was naive in the beginning. His advice now to any City officials interested in pay equity is, "Become an expert yourself. Guide the consultant." He also feels it is a major problem finding a consultant who understands what a city is trying to accomplish.

The Need to Educate Employees:

The City did not make a major effort to educate its workers about the

meaning of comparable worth. This was a mistake. Dunn says he has learned that it is potentially a complex emotional issue. The evaluation of how much one's job is worth in dollars is taken personally by many workers as a judgment of their worth as people. He states that you have to be very careful and attempt to involve employees as much as possible in the evaluation process. "You must keep them informed every step of the way and even then some people will be upset."

Rosemary Richards, Chair of the local AFSCME Pay Equity Committee says that the women on the committee are primarily occupied now with educating themselves and others about the technical issues. They have published a fact sheet and held a conference which was attended by the subsequently-elected new Governor of Vermont. Richards says the issues are complex and she still feels that she is only beginning to understand the ins and outs of job evaluation systems. In her opinion, most of the city employees still have no understanding of what pay equity means.

A memo her committee sent to all AFSCME local members in December 1984 defines pay equity in a way that equates it with internal equity. There is no focus on female wage depression. The memo says:

> "Pay equity is a "worker's" issue not a "woman's" issue. Pay equity benefits all city workers. In addition, the law prohibits reducing the pay for male-dominated jobs as a means of eliminating discrimination."

According to the memo "the committee's current goals include (1) working with the city of Burlington to revise the classification plan to eliminate wage discrimination and, (2) assisting the Personnel Department in determining qualifications for a Consultant who will:

- review the objective criteria that were used in evaluating and classifying positions in 1983,
- assist in reclassifying positions,

- assist in designing an integrated pay structure which would not only complete the process of achieving a comparable worth pay system, but also address the issue of maxed-out employees and longevity."

The closing paragraph of the memo contains this sentence: "We are all learning together how to achieve a pay structure that is fair to all employees."

Despite the Pay Equity Committee's attempts to define pay equity as a "worker's issue", Dunn reports that the issue has caused some polarization along sex lines in the work force and within the union. Dunn says flatly that pay equity is seen as a "women's issue" in Burlington. Richards attributes this to mass media coverage of the comparable worth issue, to the lack of education on the issue and to the fact that it was the women employees who demanded that the problems in the new system be addressed as a whole. Also, for more than ten years prior to the City of Burlington's resolution on comparable worth, the librarians, a female-dominated classification, had been raising the comparable worth issue in relation to their own underpaid status.

The Problem of Differing Interests:

The City is now engaged in an attempt to work with all employees to develop feasible solutions to the problems with the discredited reclassification plan. Dunn believes that the system does not have to be completely done over. He thinks the city can still use the job audits and most of the system. A major problem, he feels, will be identifying the right factors and weighting them properly. The whole system basically needs refining, he says.

Richards believes that the success of the consultative process being

used will depend on a strong commitment by both the city workers and the city administration to resolve the problems by working together. That, in itself, poses problems.

She points out the diversity of the groups trying to work together: managers and workers, union and non-union employees, men and women, blue collar and professional workers. They all have different concerns. She feels the process is enhanced by bringing all these concerns together but she notes that it also requires a great deal of time and energy to sort out the concerns and establish priorities.

She recognizes that there is resistance to pay equity, mainly, she feels, from individuals who do not fully understand the issue, who feel threatened or equate the elimination of discriminatory wage practices with a loss in their own standing.

Dunn does not disagree. He expects problems, for instance, with blue collar workers who may have negotiated wages above what an "objective" study shows their worth to be. He also thinks the interface with collective bargaining will be difficult. He is hopeful, however, that refining the system will achieve its acceptance by the employees. He expects the polarization by sex to ease over time.

Summary Comments:

The Burlington story demonstates that, once again, good intentions are not enough. The City will undoubtedly find a way to restore order and confidence in its personnel system. It appears to have been the victim of bad advice, its own failure to understand fully what it was doing, and a failure to involve employees sufficiently in the decision-making process.

SECTION III

AN INVESTIGATION OF ACTUAL CASES OF PAY EQUITY IMPLEMENTATION IN THE PRIVATE SECTOR

Results of NCPE's Search for Private Employers Implementing Pay Equity

Finding private employers who have implemented pay equity is not an easy task. As noted in the Research Design and Methodology section, NCPE sought to find members of three categories of private employers implementing pay equity: those who had been sued successfully on pay equity grounds, those who had settled such suits, and those who had agreed to implement some form of pay equity as a result of collective bargaining.

NCPE found only two private employers who had lost pay equity lawsuits: Westinghouse Electric Corporation and Charley Brothers, a wholesale grocery company located in Greensberg, Pennsylvania. The cases they lost were I.U.E. v. Westinghouse, 631 F.2d 1094. 23 FEP Cases 588, (3rd Cir. 1980); cert. denied, 452 U.S. 967, 25 FEP Cases 1835 (1981) and Taylor v. Charley Brothers., 25 FEP Cases 602 (W.D. Pa. 1981).

NCPE found four private employers who had settled with plaintiffs in pay equity lawsuits. The American Dental Association, the General Electric Company, Sirloin Stockade, Inc., and Michigan Bell Telephone. The cases they settled were Resnick v. American Dental Association. Docket No. 79 C-3785, U.S. District Court, Northern District of Illinois. (Consent Decree 1984) I.U.E. v. General Electric, Civil Action No. 78-1045-MA, U.S. District Court, District of Massachusetts (settled before decision rendered, 1981), Fitzgerald v. Sirloin Stockade, 624 F.2d 945, 22 FEP Cases 262 (10th Cir. 1980), affirmed 680 F.2d 694 (10th Cir. 1980) and Gerlach v. Michigan Bell Telephone, 501 F. Supp. 1300, 24 FEP Cases 69 (E.D. Mich. 1980).

NCPE found fifty-six private employers who had agreed to implement some form of pay equity as a result of collective bargaining: Kaiser Hospitals, in an agreement reached in 1972 with Local 399 of the Service Employers International Union AFL-CIO (SEIU) and fifty-five privately-owned newspapers, in large and small cities across the country, under separately bargained agreements with local unions affiliated with the Newspaper Guild AFL-CIO. NCPE also found that AT&T had agreed with the Communications Workers of America (CWA) in 1980 to set up a joint labor-management committee to develop a new job evaluation plan. The results of this work have many implications for pay equity even though its implementation at AT&T in its post-divestiture form still is in question.

NCPE was unable to obtain any information about pay equity implementation and its consequences from the employers who had been sued or those who had settled. The Committee, however, was able to obtain some information from one of the newspapers officials about his views of pay equity implementation and its costs. The report of an interview with the personnel manager of that paper appears below. The Committee was also able to learn many of the details about the job evaluation plan developed by the Joint Labor-Management Committee at AT&T and a discussion of that plan and its significance for pay equity implemention also appears below.

The results of NCPE's search for private employers who had implemented pay equity in a less than totally voluntary manner were surprisingly sparse. It is doubtful that more research would have turned up many more employers in all three categories. The Committee did hear of a few other cases, but, after many calls, was unable to reach employer representatives to confirm or discuss them. Since resources to continue the search were not endless, the effort was abandoned after a reasonable number

of attempts had been made.

Pay Equity Through Collective Bargaining: A Private Employer's View

The personnel manager of a western newspaper with 2,000 mostly unionized employees was interviewed by NCPE. His paper had agreed to pay equity increases for one predominantly female classification of employees engaged in "inside" classified advertising sales. These increases had begun to close the comparable worth gap between their pay and the higher pay of male-dominated "outside" sales jobs. (The Newspaper Guild has bargained successfully over this particular pay equity issue in at least fourteen newspapers across the country where the same pattern prevails.)

This manager's personal view was that pay inequities existed between male and female-dominated job categories throughout the economy. He offered as an example the pay differential between longshoremen (mostly men) and confidential secretaries (mostly women). He was concerned, however, about the impact of pay equity implementation in a unionized firm.

Based on his own experience in his firm, he thought pay equity could lead to a "jacking-up" of wages unrelated to the marketplace which could cost an employer his competitive advantage. At his paper, he said, collective bargaining had led to the retention of a large number of composing room employees who were not needed because of new technology. In his opinion, this was an example of unions not caring about the value of a job to an employer or the employer's survival and just bargaining for as much as they could get. He felt that such bargaining leads to the establishment of pay rates that are "excessive". If pay equity requires

that female-dominated jobs be paid the same as male-dominated jobs of comparable worth, and those male-dominated jobs are overpaid because of collective bargaining, the employer is caught in a dilemma. If the employer practices pay equity and cannot downgrade overpaid workers the firm gets more overpaid workers and is vulnerable to going out of business because of non-competitive wages.

This manager felt that pay equity is a legitimate issue but that it could be dealt with by advocacy and educational efforts and by enforcing present fair employment laws. He is a believer in affirmative action and he actively recruits minorities and women for jobs at the paper. No equal employment law violations have ever been found at his firm, though complaints average one a year.

Case Study: AT&T Job Evaluation Project

In 1980, the Communications Workers of America (CWA) and AT&T agreed in national negotiations to set up a joint CWA/AT&T Occupational Job Evaluation (OJE) Committee to research, develop and make recommendations concerning a job evaluation plan for all of the Bell System's non-management workers. A plan which both parties believe to be "state-of-the-art" was developed and tested but has not yet been implemented. Divestiture of the Bell System operating companies plus failure by management and labor to agree on the terms of plan implementation has left the future of the plan uncertain.

At the present time, the plan is being considered by newly created joint labor/management committees at AT&T Communications and at the newly independent operating companies. These companies are bound to continue studying the plan by the terms of the 1980 collective bargaining agreement. Both union and management expect work in these joint committees to accelerate in 1985 once the effects of divestiture cease to dominate company activity. Neither side is bound to accept the results of their study. The initial failure to agree on implementation of the results may be repeated. Two issues seem to have been stumbling blocks: The nature of joint labor/management administration of job evaluation, and the linkages between job evaluation, compensation levels, and market wage rates.

The importance of this research work and what happens to it has many implications of pay equity. The concept of comparable worth can be dealt with using present job evaluation techniques. Yet the more experience is gained with the implementation of pay equity, the clearer it is becoming that these techniques are still crude. Much more needs to be learned about

accurately capturing the nature and value of work in a way that can be administered easily and fairly.

AT&T, as a rapidly changing high technology company with new and changing job classifications and skills particularly needed a job evaluation system that could deal fairly and quickly with changes in the workplace. The fact that it is heavily unionized only made this need more acute. The union was concerned about the lack of a formal job evaluation system at AT&T and the resulting disorder and irrationality in titles and pay rates. It was also concerned about the impact on the workforce of changing technology which was rapidly eliminating or changing jobs.

Since any new system of job evaluation had to be acceptable to both labor and management, the stage was set for the 1980 agreement to develop a new system jointly with labor. There were actually three labor/management committees working on the problem. CWA was in one and two other AT&T unions were in the others.

The company and the unions learned much about the process of job evaluation. Kenneth Ross of AT&T feels that the project succeeded in developing a system that uncovered the covert values in job evaluation and made them overt. He credits the unions for making significant contributions to this achievement. The project also tackled the problem of ambiguity which plagues all job evaluation systems. Accurate job descriptions are critical to job evaluation. The OJE committee developed a system of checks that greatly controls the ambiguity of job descriptions. Unambiguous job descriptions lead to consistent evaluations and allow truer comparisons of job worth.

The system the companies and unions developed is a point-factor system with seventeen factors. It is specific to the telecommunications industry.

It includes a unique, precise and thorough system for developing job descriptions. The emphasis is on a consistent use of language in each job description. There is also a system for scoring and evaluating jobs which involves joint labor/management evaluation teams.

The techniques of writing accurate job descriptions in this system must be learned. A week of classroom training, two weeks of guided work plus a month of actually writing descriptions under supervision seems to be required to master the techniques. Typically, it takes a trained person a week to ten days to do one job description. Lorel E. Foged, an economist statistician with CWA who worked on the plan thinks this would probably be true for all industries, not just telecommunications.

The job evaluation teams also need training. This takes about a week. Once trained the teams can evaluate one or two jobs a day.

Fogel and Ross agree that the judgment factor in job evaluation cannot be eliminated. The goal is to reduce the range of judgment. The building blocks of this are complete and accurate job descriptions written in unambiguous language.

Ross stresses that it is also essential to have an explicit set of values with which you approach job evaluation. It is, after all, a valuing process. He supports a philosophy of trying to value the skills that give competency in the work performed. With that approach you have a framework for addressing a job that is not threatened by how work is changing.

Ross feels that existing systems of job evaluation state the factors that are important in work in broad terms (e.g., skill and effort, responsibility, working conditions) and then define them narrowly. These narrow definitions are tradition-bound and rigid. With a philosophy of trying to value the skills that give competency, and a truly effective

method for capturing the nature of the work people do, there is a basis for job evaluation that can handle new kinds of work and new skills. Ross and Foged agree that the system the OJE committee developed is capable of accomplishing this goal.

Foged worries and Ross agrees that the method they helped to develop requires so much time and effort, it will tempt people to take short-cuts. Foged feels that it may not be worth doing if it is not done right. It would then be neither equitable or efficient.

Foged estimates that if AT&T and the union agree to implement the system it will take three years to judge its effectiveness. She feels it will be ten years before real clarity will emerge on evaluating the comparable worth of jobs and the cost of this type of evaluation approach.

Both Ross and Foged stress the importance to job evaluation of regular reviews of a system and its results. This is typically not done. Many job evaluation systems in use today are biased, Foged says, because they have not been reviewed or changed since first designed and implemented during World War II.

Foged is concerned that the results obtained by job evaluation not be negated when salary levels are assigned to jobs. If the wage translation process introduces standards that reflect a discriminatory market, she feels, it renders the equitable evaluation meaningless. Ross feels that market wages rates must be considered, but they must be relevant.

Both Foged and Ross are excited by what the OJE Committee learned. They are convinced from their experience that ordinary people with proper training can document work consistently and equitably and learn to compare different types of work fairly. Since the validity of pay equity as a concept depends on that being true, the importance of the AT&T job evaluation project to the future of pay equity is great.

SECTION IV

PRIVATE EMPLOYERS VIEWS ABOUT PAY EQUITY, ITS COSTS, AND THE FUTURE OF VOLUNTARY IMPLEMENTATION

Background

Senior officials of forty-four private employers in twenty industries were told about NCPE's study of the costs of implementation of pay equity and were invited to dialogue about the issues from the experience and perspective of their organizations. They included consulting firms, trade associations, an engineering firm, a chemical company, a utility, telecommunications companies, an oil company, a computer company, a newspaper, a research company, beverage manufacturers and distributors, food processors, distributors and retailers, financial services companies in banking, insurance, and brokerage, an electrical equipment manufacturer, a paper company, a shipping company, private educational institutions, hotels and a hospital. While a few of these shared some thoughts with NCPE, only fifteen were willing to be interviewed in any depth.

Some of the thoughts shared by those not interviewed in depth are worth reporting. In a group session, one senior personnel officer of a large company offered the following forthright opinion:

> "Any sophisticated employer knows that comparable worth is going to become the law of the land. But it isn't yet, so we don't have to comply. Now it's only a social and political issue."

The personnel director of another major company in a brief telephone conversation advised that he thought most major companies were focussing on the issue - auditing their work force figures and testing their systems for sex bias - but perhaps more to defend what they were doing than change it

and unlikely to want to talk about it.

These thoughts were echoed in private interviews by others, but they are not the whole story. As the summaries of the interviews below show, the range of opinions and attitudes towards pay equity among private employers is wider than might be thought. If the employers interviewed are at all representative of their colleagues in American business, there is considerable willingness to consider pay equity issues with an open mind. The willingness is greater when a sense of business realities is not lost in the discussion, sweeping moral or social arguments are kept out, and the heat is not on.

Profile of the Private Employers Interviewed

Almost all of the company officials interviewed are senior in rank (usually Vice-Presidents) and usually in charge of "Personnel", "Staff Relations" "Employee Relations", or "Human Resources". Two are heads of "Fair Employment Practices" or "Equal Employment Opportunity". One is a Vice President for Public Issues and one involved in "external relations" in the company's Washington office. Eight are men and seven are women.

The firms for which they spoke are in the following businesses: financial services; food processing, distribution and retailing; beverage manufacturing, distribution and wholesaling; hotels; health care; newspaper publishing, electrical high-tech equipment manufacturing, management consulting and telecommunications.

One of the financial services companies and one of the telecommunications companies are very large multi-national companies, Citicorp and AT&T, with 66,000 and several hundred thousand employees, respectively. The manufacturer of electrical high-tech equipment,

Tektronics, Inc., has 20,000 employees. The Columbian, a privately owned, independent newspaper in Vancouver, Washington, at the other end of the size scale, has 480 employees. The remaining companies, who wished to be anonymous, vary from 64 employees to 18,000 with three companies having between a thousand and five-thousand employees and three others having between five thousand and ten thousand employees.

Ten of the companies are not unionized. Three are heavily unionized and two have union representation for a minority of their employees.

Most of the companies have a formal point factor job evaluation system in place for at least some of their employees. Two do not and two only have one for managers. One job evaluation system is just being installed. Another has not been updated for eight years and has been modified ad hoc during that time.

Most of the companies operate in the national marketplace. Two are regional companies and four serve local markets. One is a non-profit hospital. Their headquarters or main offices are located in the north-eastern, mid-western, western and south-eastern sections of the country. Several have operational units in many States.

The Nature of the Interviews

The interviews ranged in length from just under an hour to more than two hours. In two companies, more than one senior official was interviewed.

It was the interviewers' impression that almost all of the interviewees spoke in an obviously guarded fashion initially and maintained their guard even while warming to the discussion. They showed an across-the-board reluctance to reveal average salary figures for men and women; several would not provide basic EEO information about the sex and race composition of

their workforces or comment, except very generally, about the kind and amount of occupational segregation by sex at their companies.

Only the AT&T, Tektronics, Citicorp and Columbian newspaper officials were prepared to be named personally. Most of the interviewees asked that portions of what they said not be reported in any form. Several said outright that they were worried about a breach of confidentiality and wanted assurances that the interviews would be reported in such a way that they could not be identified, either personally or as a company.

It appeared that much of the wariness was due to the desire to protect their companies from lawsuits and some due to mistrust of a researcher from an advocacy group. There seemed to be an expectation of a militant or accusatory posture in the interviewer. When this was not the case, the interchanges opened up. As Kenneth W. Ross, a labor relations specialist from AT&T said at the end of the first of two interviews with him, "This is a contentious issue. It doesn't have to be."

Summarizing the Interviews

The summary of the content of the interviews which follows tries to give some of the flavor of the interviews and a sense of the different viewpoints. To do this without compromising the anonymity of the interviewees has required that the diversity of viewpoints be somewhat flattened out. Every effort was made to report their views faithfully; the sense of who had these views has regrettably been sacrificed to a large extent.

The summary is divided into three sections: (1) Attitudes Towards the Pay Equity Concept and Its Impact (2) The Cost of Pay Equity and (3) Prospects and Models for Voluntary Implementation of Pay Equity.

Attitudes Towards the Pay Equity Concept and Its Impact

Confusion about the concept of pay equity was common among those interviewed. Several said that the definition of pay equity or comparable worth was not clear. Though all agreed that the issue was widely discussed by business people and had been the subject of professional meetings and publications, they never were sure what they were arguing about. Some advocates they had heard had "wild" views. One official had heard such an advocate say that pay equity was a social policy decision - not a business decision - and that women's wages should be raised across the board as a matter of equity. Another advocate had been heard to argue that family poverty was due to the female wage structure, and women's wages, therefore, had to be raised regardless of the content of their work. Another frequently heard proposition that troubled many of the interviewees was that work had an intrinsic value to society which could be determined and rewarded accordingly. They all disagreed with this concept.

Several of the interviewees used their disagreement with this broad concept of comparable worth to criticize pay equity even though, when questioned, they admitted that they knew most pay equity advocates did not define comparable worth in those terms. One personnel vice-president, for instance, dismissed pay equity as based on faulty assumptions. The faulty assumptions were that jobs have an intrinsic worth to society at large and that women are shunted into low-paying jobs. He later agreed that jobs, of course, had an intrinsic worth within a company. And though he asserted that stereotyping and shunting women into lower paying jobs was a thing of the past which no longer happened in enlightened "blue chip" companies, he could not vouch for others.

This same official noted that many women choose low-paying jobs freely, and that their segregation into low-paying job categories, by implication, is not discrimination. "Some will always want less responsibility. We have jobs for people like that." Others also noted women's apparently free choice of low-paying jobs. While they did not think this disposed of the pay equity issue, they did feel that too many women undersell themselves and aim low even when the opportunities for them are wide open.

Another problem with the pay equity concept, said one, is that it places too much faith in the possibility of evaluating jobs in a sex-blind or color-blind manner. He is personnel director of a large company with a point-factor job evaluation system. There are flaws in any kind of evaluation system, he said, and room for subjective judgment. "The judgments make the difference in equity."

His counterpart in a smaller but still large company in the same line of business went farther. His company, he said, is "sensitive" to equity but not to comparable worth. In his opinion, pay equity would,

1. Cost too much
2. "Skew the principle of supply and demand"
3. "Emasculate the marketplace"
4. Be too subjective. You could never prove objectivity. Therefore, you would be sued and get external forces telling you what to pay to accomplish your mission.

This man's company does job evaluations based on job content using a point-factor system and surveys similar jobs in the marketplace before setting wages. They do not use systems like the Hay system, he said, because they are too subjective.

His criticisms raise another issue troubling to many of the others - "external forces telling you what to pay to accomplish your mission." Several expressed fear that if pay equity became law it might lead to judges or the federal government doing the wage setting, a job for which they are not suited. One confessed to a kind of "paranoia" on this issue. His biggest fear, he said, is somebody in Washington designing a job evaluation system and applying it to employers in bureaucratic fashion. Another referred to a nightmare vision of a "pay police" enforcing the proper wages. He joked that the only job he would then want would be Chief Pay Policeman.

An interesting sidelight on this fear of external control is provided by the volunteered statements of two managers that their companies would not want to go to court if sued. They would make the necessary adjustments quickly to avoid litigation. In one case this seemed to reflect a desire to maintain an image as a fair employer and a good place to work. In the other case, it seemed a business decision to avoid trouble and costs.

Some employers, on the other hand, convinced that they have fair pay systems, seemed prepared to fight if sued. They said proudly that they had won out in every EEOC complaint against them. One vice-president thought that many firms were guilty of wage discrimination but that pleading the market would be a good defense. "You can't ask a business to pay more than the going rate."

While the efficacy of the market defense is unclear at this point in the development of the law, the question of paying market rate wages raises the issue of the cost of pay equity, an issue of primary interest to this study.

The Cost of Pay Equity

One of the surprises of the interviews was the almost complete lack of statements decrying the costs of pay equity. No one offered huge estimates of what pay equity could cost their company. No one offered an estimate at all. Instead, there were a number of statements that paying people fairly was simply a necessary cost of doing business. A fair and orderly job evaluation and wage setting process, was according to all, worth what it costs. As John Heilman of Tektronics put it, "It's a poor use of resources not to pay people equitably and make the best use of resources."

If pay equity is worth what it costs, it will still pinch some employers more than others. The interview with the vice-president of a large non-profit, non-unionized hospital suggested indirectly that the cost of pay equity may seriously strain such non-profit service institutions and others like them who have depended on low-paid women's work. He was committed to pay equity, he said, and on his own initiative had revised classifications and given increases to insure more internal equity for women. This was done at the same time as he recruited minorities and encouraged the creation of promotional opportunities for minorities and women. He was clearly unhappy, however, about the high value nurses seemed to place on themselves. When he was asked what paying nurses what they thought they were worth would do to the hospital budget, he replied that the hospital would go under. When it was pointed out that this fact might be influencing his evaluation of nurses' work, he fell silent.

One of the women did point out that the publicity given to huge estimates of pay equity's possible cost had frightened a lot of people. She herself expressed no fear. She, like almost all the others, was confident her company paid fairly, was committed to paying fairly, and would pay

fairly in the future. Cost was not even suggested as a problem.

On close examination of all that the interviewees said, however, it seems clear that they were concerned about cost. How to pay fairly and still remain competitive was the cost problem that concerned them. This concern showed up in discussions of the tension between internal equity - keeping fair relationships in pay between employees within a business establishment - and external equity - keeping fair relationships in pay between employees and their peers in other businesses. There was explicit or implicit agreement that the costs of pay equity will be determined by how the demands of internal and external equity are resolved. One woman vice-president suggested that advocates of pay equity need to understand the position employers are in trying to reconcile these demands and remain viable. If they understood this, she suggested, then, perhaps, these advocates could work with employers to find a solution.

The discussions of job evaluation systems and wage-setting practices provided some insight into the difficulties of finding such a solution. Pay equity requires fair evaluation of the worth of female or minority-dominated job classifications to an employer in terms that allow fair comparison with the worth to that employer of similar and dissimilar male or white-dominated jobs. All agreed that existing job evaluation systems help greatly with that task but all admitted they are not bias-free. As one interviewee remarked, a lot of systems were designed to justify existing practices, not to be fair. Others have biased assumptions or allow too much subjectivity.

Unbiased job evaluation is only one foundation for pay equity, however; the other foundation, all the interviewees said, is the market. All of the interviewees base wages partly on what the relevant labor market is paying. The degree of their reliance on the marketplace however, depends on many

factors and varies greatly. They sometimes disregard the market. Sometimes there is no comparable job in the marketplace, or no need to pay market rates because of a strong competitive position. Tektronics, for instance, uses the market more to adjust wages than to set them.

The process of basing wages on what the market is paying is full of opportunities for employers to make subjective or biased decisions. What is the relevant labor market? For some jobs the talent pool is local, for others regional or national. This can be true for technical employees as much as for managers. As one manager explained: the size of the relevant market depends on the qualifications needed for the job and how far you have to go to get a sufficient talent pool. Competitors also are relevant. Where do they threaten you? Are their pay scales comparable for the same job titles? Are their job titles the same but different in job content and quality and productivity of the job holder? Determining the relevant market wage is complex and time consuming and open to interpretation.

All of the interviewees said their companies make market wage surveys. Some also bought wage surveys supplied by one of more of the many companies in the wage survey business. The need to survey the wage market is "driven by market conditions", one manager said. When there are rapid changes in the economy such as a high rate of inflation or dynamic competition, it is necessary to do surveys more often to stay competitive. For some companies which operate in stable markets, the need is less.

Several interviewees also mentioned that they met with their peers in other companies to discuss and compare wage-setting practices. Two managers said they met with other employers in the city where they operated. Others met with mixed industry groups of blue-chip companies. There are several formal and informal associations of personnel managers which meet regionally

and nationally. How consistent some of this meeting and talking about wages is with free market competition and anti-trust laws is a worry for one of the managers.

In terms of the costs of pay equity, the problem, as one manager put it, is getting the "right combination of job evaluation systems and the marketplace." This manager felt that unions in the past had not acknowledged the relevance of the marketplace to wage setting. Now that international competition had nearly wiped out many union jobs, he felt they were beginning to see the point.

The question of remaining competitive in the international marketplace is real, said one manager, at least for those businesses who compete internationally. They must have fair pay but not so high that their costs of production are not competitive. He recognized that wage costs were only part of the costs of production. He also noted that higher wages sometimes reflect a better quality of work and better productivity. Because of that, fair comparison of wage rates internationally is also a complex matter.

A simple "market defense" is inadequate to justify pay inequities in the opinion of the two managers who discussed the issue in some detail. "Using the market to get out of trouble" is unsound, said one, unless there is a convincing record of rational reliance on the market in setting wages.

Assuming a balance is found between internal and external equity or between the results of objective job evaluation and relevant market wages, the prevailing opinion of the managers interviewed was that achieving internal pay equity would not cost a lot in the long term. They expect to see pay for some jobs move up and some move down as pay equity is implemented, with overall costs not significantly different. Eventually, they expect to see much greater integration of jobs by sex and race. When

women and minorities are fairly represented in all job categories, they expect that the pay equity problem will no longer exist. Several made a point of the importance of continued efforts to achieve such integration. However, until integration prevails, there may be a need to adjust salaries to accommodate comparable worth. One woman observed that this may be expensive for a period of time, but the threat of lawsuits and substantial penalty costs for pay inequities could make it worthwhile even for those who resisted the concept.

Prospects and Models for Voluntary Implementation of Pay Equity

The prospects for voluntary implementation were not directly estimated by most of those interviewed but much can be inferred from other views they expressed. There was a general expectation that the issue of pay equity would not go away. One official said that "the demographics of the workplace" would keep the issue fueled. Women and minorities were going to make up more and more of the workforce and he was sure they would not let the issue die. He commented that the pay equity issue seemed to have more staying power than most he had seen. Another official predicted that employers generally will be forced to do job evaluation studies because of mounting pressure from women employees. Such studies lay the groundwork for pay equity. A new job evaluation study in a small bank is doing just that according to its personnel director. Now that the study is almost done, pay equity is under discussion. As the new jobs in the economy are increasingly in service industries where women predominate, two officials think unions will organize large numbers of women around the pay equity issue. In addition, one official felt that a growing number of employers are willing to make pay equity adjustments. Many are doing so quietly because of fear

of incurring legal liabilities. They do not want the changes to look like an admission that there is sex-based wage discrimination at their company. The impression resulting from all these views is that private companies will do what they have to do and that it looks as if they will have to implement pay equity. As greater numbers come to that conclusion, there will be more voluntary implementation.

One interviewee reported that her company has already implemented pay equity voluntarily. Harriet Campbell, a member of the Board of Directors and a staff resource specialist at The Columbian, a newspaper with 480 employees in Vancouver, Washington, said the paper had begun to look at the issue in January 1979. Their objective was to maintain internal equity and external competitiveness. They hired Norman Willis and Associates and "started from scratch" to write job descriptions and do job evaluations. At that time, they had 450 employees. They were not particularly looking for female wage depression.

By September 1979 the position descriptions were written and in January 1980 they began evaluating them on the basis of four factors, knowledge, skills, mental demands and accountability. They completed the evaluations in June 1980. They found underpaid job categories that were predominantly male and predominantly female.

They decided to raise the too-low salaries of both men and women over a period of time, without reducing anyone's pay, though some jobs were frozen. There were no objections. They held many meetings to explain what they were doing and to train managers in a performance appraisal system that they instituted along with the new position descriptions. This performance appraisal system applied to all non-union workers. The few workers who were unionized had their wages set by collective bargaining. The performance appraisal system went into effect in January 1981.

They closed 80% of the wage gaps they found by September 1980, and promised employees that the remainder of the gap would be closed as "performance" dictated over the next two years. By January 1982 everyone was in the appropriate salary range.

Ms. Campbell says that pay equity proved to be both "possible and practical" for them. They achieved their objectives of internal equity and remaining competitive. To maintain competitiveness, they check the labor market and make adjustments when external wage rates are falling by slowing increases in comparable jobs. She is very positive about their program.

There are other models of voluntary pay equity if one accepts the claims of some of the interviewees who said that they have no pay equity problem. Citicorp is one of these. George Seeger, Vice-President for Public Issues at Citicorp cites the well-publicized "Citicorp Approach" as a broad statement of the aims of their system. He believes their system works to insure pay equity for women without having focussed on that objective.

As quoted by him:

> The Citicorp approach is to:
> (1) provide the climate and resources that will enable all staff to advance on merit as far as their talent and skills will take them without regard to age, color, handicap, marital status, national origin, race, religion, sex or veteran's status.
>
> (2) offer pay and benefits which are fair and competitive,
>
> (3) make certain that ideas and concerns and problems are identified and that two way communication is effectively maintained,
>
> (4) provide an environment that identifies, encourages and rewards excellence, innovation and quality customer service,
>
> (5) remember always that responsibility for human dignity is fundamental to our success.

Seeger said that Citicorp uses a point-factor job evaluation system (a modified version of the Hay System) as a tool in implementing the Citicorp

approach. The results, he thinks, are an argument for the free market. Citicorp's experience has been that paying people fairly is good business policy. Seeger mentioned that job integration by sex is increasing at Citicorp without any special effort. The number of males in the clerical force, for instance, had increased to 22% by 1983 just as a result of the system working.

Kenneth Ross of AT&T agrees that paying people fairly is good business policy. Because AT&T is mostly unionized and changing rapidly, he feels that both labor and management need a new system to assure that jobs are paid fairly and change is not frustrated. As noted above in the Case Study of the joint AT&T/CWA job evaluation project, AT&T has worked hard with the unions to find a way to professionalize wage setting that is fair to both sides. The final result may provide some of the answers for voluntary implementation of pay equity.

Ross offered his own definition of pay equity in the interview which reflects what he thinks pay equity should be:

> "A condition in which an establishment within a business values its jobs consistently and systematically in conjunction with the relevant market while providing free access to any job for any person who qualifies. At the same time, allowances are made for wage differences based upon collective bargaining, seniority systems, and the quantity and quality of production."

Every company does not look at pay equity openly. Some hardly know what it is. One of the woman officials interviewed works in a heavily male-dominated mostly unionized industry with jobs which are mostly non-traditional for women. Her superiors have old line and rather resistant views to equal employment opportunity concepts. There are many EEOC complaints outstanding against them. She feels there is no future for the voluntary implementation of pay equity in such a company unless women are put into powerful positions in the company who can remedy the lack of

sensitivity in management. Alone, in her position, she can do only so much. Male officials in two other companies made a similar point. Personnel managers inherit a system. They cannot change it all by themselves.

For those employers who are interested in voluntary implementation of pay equity, three of the officials interviewed offered some practical advice. One is from a company that is making a study of pay equity.

She recommends a step-by-step approach. First, she suggests adopting a positive mind-set. Pay equity is part of fair employment practices which are part of good personnel policies which in turn bring increased productivity and profits. Second, employers should look at the distribution of men and women in their work force. They should try to integrate as many sex-segregated job categories as possible as quickly as possibly. This is good human resources practice and in addition, reduces their exposure to possible EEO charges. Admittedly, this may be a slow process which requires special employee training efforts. Third, employers should address their job evaluation and wage setting practices. If their present systems are resulting in pay disparities, they should be modified or replaced and the inequities corrected in a prompt and wholehearted manner. Her experience and company research suggests that such an approach is affordable and avoids legal penalties and involuntary remedies ordered by courts.

John Heilman of Tektronics, a non-unionized company, has similar suggestions based on his experience. He believes that employers need to monitor their pay and hiring systems with pay equity in mind. He recommends a common set of job evaluation criteria for all jobs. He thinks a uniform system is superior to separate systems. Tektronics uses a point-factor system and he recommends such a system for employers with at least

five-hundred employees. He says such systems cost "a bunch" but are worth it. He believes employers should evaluate all jobs, and not just focus on what is happening to women in female-dominated job classes. He stresses that remedial action should be taken if problems are found. He believes that job segregation by sex exists throughout business and that pay disparities because of it do need to be addressed.

Finally, there are some overall insights from a personnel vice-president of a large financial services company. He feels that professional personnel people like himself are put off by the way pay equity has been made into a social issue incorporating broad, unsound generalizations. It needs to be approached as a business issue, and advocates for the issue need to understand that economic realities will always determine who gets paid what. They should remember that compensation is not an exact science; it is a management tool. To make it as equitable as possible is good business practice. To do this, employers need a system for job evaluation (which will always require some subjective judgment), fair-minded people (so that the judgments are fair), and a workable linkage with the marketplace so that they can retain and recruit the employees they need without becoming uncompetitive. He acknowledges that sex and race stereotyping and bias have marked personnel policies in the past, and have not been completely eradicated. The challenge for business, he believes, is to set a clear standard of equal opportunity, to reward those who adhere to it and penalize those who do not. The message must be. "People who succeed here behave a certain way." When people get that message, change follows.

SECTION V

CONCLUSIONS

Consideration of all the data presented in this report leads to a sense that the costs of implementing pay equity in both the public and private sectors will not be a major problem. The experience in the public sector while early and fragmentary shows moderate increases, phased in with some consideration for the public employer's ability to pay. The data also suggest that public employers are learning (some painfully) how to implement pay equity with less difficulty as time passes. The data in the private sector are even more elusive, but the interviews with the officials of private companies showed a surprising agreement that the costs of pay equity, if implemented, would not be great in the long run.

Accurate cost estimates for pay equity implementation are impossible at this time. The contours of the issue are still emerging and fear of lawsuits will inhibit the flow of information in the private sector.

Two areas that are particularly fluid are the extent of pay equity remedies and the reliability of job evaluation methods. There are many signs that the urge to remedy unfairness in pay is leading to wider remedies than just giving pay raises to women in female-dominated job classifications. The broad issue of comparable worth is entering the consciousness of increasing numbers of people and the demand for internal equity in workplaces is rising accordingly. The reliability of job evaluation methods is, in a not unrelated development, inviting increasing scrutiny. What these trends will do to shape the narrower pay equity issue

considered in this report remains to be seen. Whatever happens will have an impact on costs.

The lack of reliable estimates of pay equity's costs will leave the door open to extreme claims and alarms by pay equity opponents. On the basis of the data in this report, however, the days of this argument may be numbered. Many public jurisdictions are about to implement pay equity. In two or three years, if costs remain moderate, the issue of cost should be defused.

The prospects for voluntary implementation of pay equity in the private sector are likely to improve as the public sector continues to move on this issue. The sectors apparently do meet in the labor marketplace sufficiently to influence each other. There also appears to be room to open up a less confrontational dialogue between pay equity advocates and private employers. The interviews with private employers summarized in this report show an employer commitment to paying fairly as a good business practice. That commitment provides a common ground on which to meet over the issue of pay equity.

APPENDICES

APPENDIX I

NCPE 1984 Survey of Public Sector Employers

TABLE I: Work Forces of Respondents by Sex and Minority Status

STATES (15)	No. of Employees	No. of Males	No. of Females	No. of Min.	% White	% M	% F	% Min.	% White
AK	11,472	6,340	5,132	N/A	N/A	55%	45%	N/A	N/A
CT	45,000	22,500	22,500	N/A	N/A	50%	50%	N/A	N/A
FL	82,980	38,221	44,759	N/A	N/A	46%	54%	N/A	N/A
IA	18,146	9,360	8,640	603	17,543	52%	48%	3%	97%
IL	58,502	25,857	32,644	N/A	N/A	44.2%	55.8%	N/A	N/A
KY	29,811	16,281	13,530	2,302	27,509	55%	45%	8%	92%
MD	54,000	26,000	28,000	17,000	37,000	48%	52%	31%	69%
MI	54,168	27,882	31,286	12,211	49,957	51%	49%	23%	77%
MN	29,976**	16,621	13,355	1,107	28,869	55%	45%	4%	96%
MT	13,000*	6,760	6,240	N/A	N/A	52%	48%	N/A	N/A
NM	15,170	8,192	6,978	9,579	5,409+	54%	46%	63%	37%
NY	172,000*	89,000	83,000	38,200	133,800	52%	48%	22%	78%
OH	55,624	29,564	26,005	N/A	N/A	53%	47%	N/A	N/A
OR	38,000**	18,620	19,380	1,900	36,100	49%	51%	5%	95%
WA	30,489	16,147	14,342	3,493	26,996	53%	47%	11%	89%
CITIES (5) & COUNTIES (1)									
Burlington, VT	368	240	128	-0-	368	65%	35%	-0-	100%
Contra Costa County,CA	5,918	2,424	3,494	2,020	3,898	41%	59%	34%	66%
Portland, OR	4,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Renton, WA	448	320	128	N/A	N/A	71%	29%	N/A	N/A
Seattle, WA	10,777	6,742	4,053	2,544	8,233	62%	38%	24%	76%
St. Paul, MN	2,700	2,000	700	135	2,565	74%	26%	5%	95%
STATE UNIVERSITIES (2) & SCHOOL DISTRICTS (1)									
Chico (CA) Unified School Dist.	433	100	333	N/A	N/A	23%	77%	N/A	N/A
University of WA	3,000**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
University of MN	5,000**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: * includes university personnel
** includes classified university personnel only; + excludes 182 unidentified
N/A means not available.

NCPE 1984 Survey of Public Sector Employers

TABLE II

Gender-Dominated Job Classes With More Than 10 Incumbents in Respondents' Workforce

STATES (15)	Total No. of Job Classes	No. with 10 Incumbents	No. 10 Classes over 70% Male	No. 10 Classes over 70% Female	% 10 Classes over 70% Male	% 10 Classes over 70% Female
Alaska	N/A	N/A	N/A	N/A	N/A	N/A
Connecticut	2,600	N/A	N/A	N/A	N/A	N/A
Florida	N/A	N/A	N/A	N/A	N/A	N/A
Iowa	808	301	151	82	19%	10%
Illinois	1,500 (1,281 in use)	N/A	655	234	51.1%	18.3%
Kentucky	1,290	N/A	N/A	N/A	N/A	N/A
Maryland	3,258	N/A	187**	157**	59%*	23%*
Michigan	1,982	616	334	128	54%	21%
Minnesota	N/A	380	176	72	46%	19%
Montana	1,500	194	101	82	52%	42%
New Mexico	896	287	131	64	46%	22%
New York	5,500 approx.	1,100	575	190	52%	17%
Ohio	1,680	N/A	340	131	49%*	14%*
Oregon	1,200	1,000	400 approx.	123 approx.	40%	12%
Washington	2,434	N/A	N/A	642	N/A	N/A
CITIES (5) & COUNTIES (1)						
Burlington, Vermont	46	12	9	3	N/A	N/A
Contra Costa County, CA	1,013	N/A	24	39	N/A	N/A
Portland, Oregon	546	N/A	N/A	N/A	N/A	N/A
Renton, Washington	N/A	N/A	N/A	N/A	N/A	N/A
Seattle, Washington	900	152	90	35	N/A	N/A
St. Paul Minnesota	508	N/A	359 approx.	149 approx.	N/A	N/A
STATE UNIVERSITIES (2) & SCHOOL DISTRICTS (1)						
Chico (CA) Unified School Dist.	N/A	N/A	N/A	N/A	N/A	N/A
Univ. of Minnesota	N/A	N/A	N/A	N/A	N/A	N/A
Univ. of Washington	N/A	N/A	N/A	N/A	N/A	N/A

Note: * of all classes; ** of classes with 20 or more incumbents; N/A means not available

NCPE 1984 Survey of Public Sector Employers
TABLE III

Average Salaries of Females, Males, Minorities and Whites in Respondents' Work Forces
(Per Year Unless Otherwise Noted)

STATES (15)	Females	Males	Female's Salary as % of Male's	Minorities	Whites
Alaska	N/A	N/A	N/A	N/A	N/A
Conn.	N/A	N/A	N/A	N/A	N/A
Florida	$12,194	$16,035	76%	N/A	N/A
Iowa	$19,908	$26,908	74%	N/A	N/A
Illinois	53.8% make $16,000 or less*		N/A	N/A	N/A
	89.9% make more than $16,000*				
Kentucky	$16,216	$19,801	82%	$14,460	$18,425
Maryland	$15,478	$20,033	77%	N/A	N/A
Michigan	$20,003	$25,411	79%	$21,416	$22,865
Minnesota	$17,518	$22,905	76%	-- No Difference --	
Montana	$16,128	$21,878	74%	N/A	N/A
New Mexico	$17,412	$19,032	91%	N/A	N/A
New York	See Appendix II	See Appendix II	N/A	See Appendix II	See Appendix II
Ohio	$20,160	$23,184	87%	N/A	N/A
Oregon	N/A	N/A	N/A	N/A	N/A
Washington	$17,688	$23,040	77%	$18,960	$20,724
CITIES (5) & COUNTIES (1)					
Burlington, Vermont	$15,495	$20,821	74%	N/A	$18,158
Contra Costa County, CA	$21,132	$29,088	73%	N/A	N/A
Portland, Oregon	N/A	N/A	N/A	N/A	N/A
Renton, WA	N/A	N/A	N/A	N/A	N/A
Seattle, Washington	N/A	N/A	N/A	N/A	N/A
St. Paul, Minnesota	$18,242	$25,526	71%	N/A	N/A
STATE UNIVERSITIES (2) & SCHOOL DISTRICTS (1)					
Chico (CA) Unified School District	N/A	N/A	N/A	N/A	N/A
Univ. of Minnesota	N/A	N/A	N/A	N/A	N/A
Univ. of Washington	N/A	N/A	N/A	N/A	N/A

Note: * based on 24 classes studied out of 1,500: 12 - 80% male dominated; 12 - 80% female dominated; N/A means not available.

NCPE 1984 SURVEY OF PUBLIC SECTOR EMPLOYERS

TABLE IV

Compensation, Classification or Job Evaluation Studies Performed by Respondents

ALASKA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Job classification study which will contain as part of its analysis, comparable worth. Aim is to provide State with single system to be used across all occupational groups.	6/84	Personnel Division of Department of Administration will do majority of ratings and classification work. Consultant will supply a factor evaluation system. Booz Allen and Hamilton has been selected and has subcontracted to Hallcrest-Craver.	$500,000 Legislative appropriation (1983)	Target date 8/85.

TABLE IV (Page 2)
Compensation, Classification or Job Evaluation Studies Performed by Respondents

CONNECTICUT

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. Detect Sex Discrimination in clerical work	2/78	Status of Women Commission	N/A	N/A
Study 2. Determine pay differentials between men & women for comparable work	1979	Norman Willis Associates	$30,000 Legislative appropriation	1980 Report: considerable discrepancy in pay between male and female dominated jobs
Study 3. Review health of classification system & begin evaluation of jobs by objective criteria	1980	State Personnel Dept. and Willis Associates	N/A	1981 Report N/A

-more-

Note: Throughout Table IV, N/A means not available.

TABLE IV (Page 3)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

CONNECTICUT (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 4. Study all 2,600 State job classes using a single formal point-factor job evaluation system, not incorporating market rates. Factors are knowledge, skills, mental demands, accountability, & working conditions. Aim is equitable classification and compensation system.	late 1981	State Personnel Dept. in consultation with Norman Willis Associates; 21 member advisory council includes State managers, private sector personnel directors, State budget and personnel officials, representatives from Permanent Commission on Status of Women (CSW), and unions, members of legislature. It advises on program planning, budget and legislation liaison. Union and CSW representatives are also on evaluation committees.	To date about $300,000 (Legislature appropriated $80,000 per yr. for 3 yrs.) Now part of state budget. One union contributed $63,000 in 1982. Estimated total cost: more than $400,000.	Due 7/1/86. (Revised from original 1984 completion date.) Point totals for all job classifications will go to State's Compensation Division which will establish wage rates based on variety of factors, values, and market comparisons. Wages for non-exempt employees will be collectively bargained. Salaries for managers will be settled by Civil Service action. Two of the "white collar" unions have bargained for and accumulated an equity fund to correct inequities when study is complete.

TABLE IV (Page 4)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

IOWA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. Set up point factor pay plan (No focus on comparable worth.)	1976	Hay and Assoc.	N/A	Not implemented (Legislature found it too expensive.) Used, in part, in annual classification reviews.
Study 2. Study of all job classifications in the State's Merit System based on questionnaires to a sample of workers from all classifications and sample interviews with those in 150-200 classifications. Used 13 compensable point-factors defining skill, effort responsibility and working conditions to establish a single compensation and evaluation system on the basis of comparable worth between men's and women's jobs.	8/1/83	Arthur Young & Company in consultation with representative advisory Comm. established by statute (which also selected consultant) and committees of trained employees who served with consultants on evaluation committees.	$120,000 Legislative appropriation	Final report 4/84 found many sex dominated classes, average male/ female wage disparity of 11.75%. Range of disparity from 4.7% to 37.6%. Found female-dominated classes were disproportionately represented in the lower grades. Report presented a point factor evaluation system but offered the State six options for linking point scores with wage grades. These had varying cost and varying impact on pay equity. (Respondent reports widespread dissatisfaction with the study and evaluation system, noting "glaring errors" in points assigned and inequitable rankings.)

TABLE IV (Page 5)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

ILLINOIS

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Pilot study to review 24 of 1500 classes to determine if sex discrimination existed in classification system.	1982	Status of Women Commission and Hay and Associates	$10,000 Legislative appropriation plus volunteer labor	Many sex dominated classes; complex jobs hard to classify. Male-dominated classes paid more than female-dominated classes across all levels of job complexity. Wide male/female wage disparities. (Efforts beginning to get legislature to authorize full study.)

KENTUCKY

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study and report on comparable worth issues and consultants' methods in general. Review State statutes and actions in comparable worth area.	1982	Legislative Research Commission	N/A	Overdue as of July 1983. Still incomplete 12/84.

TABLE IV (Page 6)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

MARYLAND

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results Findings
Study 1. Analyze compensation/classification system with no comparable worth focus.	1979	Governor's Commission (4 Legislators, 3 business leaders, 2 state agency representives through Cresap, McCormick and Paget	$200,000 Legislative appropriation	1982 report criticized by MD Commission on Women for absence of comparable worth analysis, other inadequacies. Implementation delayed. New comparable worth study ordered.
Study 2. Research-oriented "comparable worth problem assessment" - will study sex primarily (race considered). Will compare application of 2 point-factor job evaluation systems to an existing and proposed classification and compensation system.	8/1/84	Booz-Allen and Hamilton for State Commission on Compensation (4 State legislators, 2 State agency heads, 4 private sector members). Employee associations, MD Commission on Women and MD Commission on Human Relations involved in developing request for proposal and in oversight. Both Commissions were on contractor selection committee.	$301,300 (State general funds)	Due 6/1/85

TABLE IV (Page 7)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

MICHIGAN

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. Overhaul personnel system existing since 1938. Set up benchmark system based on the Federal Oliver System.	1971	Public Administration Service (Chicago)	N/A	New system adopted with implementation in phases by occupational groups. Implementation and departmental review process completed in 1981. Wages were then set by collective bargaining and appeal. Ongoing cyclical review of system established.
Study 2. To investigate the extent to which job and wage classification systems undervalue certain skills and responsibilities on the basis of the sex of the persons who usually hold the position. The study analyzed a broad sample of about 200 job classifications using two different factor methods and statistical weighting.	1981	Arthur Young and Company under contract to Women and Work Division of the Department of Labor which initiated the study.	Funded under research provisions of the Federal Comprehensive Employment and Training Act [Section 311 (d)(2)]	Report was sent to Civil Service Commission in March 1983. Showed that some commonly used factors were not sex-neutral, that some inequity based on sex existed in the State system, that many aspects of job content were overlooked in evaluating jobs in existing system. Recommended changes. After further study, Commission set up task force to determine how to achieve comparable worth.

-more-

TABLE IV (Page 8)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

MICHIGAN (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 3. Study of all 1,982 state job classes to determine extent of wage depression based on sex and to develop a method to minimize such depression.	2/83	In-house study overseen by Comparable Worth Task Force appointed by Civil Service Commission	N/A	Study completed mid-1984. Release of full study and implementation plan has been delayed. May be released early 1985. Respondent reports that it found predominantly female job classes paid on average 21% less than male jobs of comparable worth.

MINNESOTA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. Studies of status of women in State employment	1976 with annual reports to legislature thereafter	Newly formed Commission on Women	N/A	Consistently found sex-segregated job classifications and low pay for women.
Study 2. Job evaluation study	1979	Hay and Associates	N/A	Hay-point system adopted.

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TABLE IV (Page 9)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

MINNESOTA (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 3. Study of pay equity in the existing State system on the basis of sex (previous studies showed no pay inequities by race). All job classes with 10 or more incumbents were studied using Hay Guide Chart method.	10/81	Task Force of Council on the Economic Status of Women (originally Commission on Women) composed of legislators, public members, union representatives, and representative of the Department of Employee Relations.	Part of regular work	Found female dominated jobs on average paid 20% less than male dominated. Pay increases for 151 classes (approximately 9,000 employees) started 7/1/83. Expect to finish by 7/1/87.

MONTANA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. A review of the State's existing Personnel and Labor Relations System in order to make recommendations for improvement, plus a review of two widely used and accepted quantitative classification systems and their potential for use in Montana.	N/A	The Personnel and Labor Relations Study Commission with outside review team of three classification experts from three States.	N/A	Final Commission report to the Governor and Legislature (12/82) noted criticism of existing classification system (introduced in 1979), its "qualitative" (subjective) nature, its unclear class specifications and difficulty of administering them, too many classes and levels, female employee concerns about its fairness, and other shortcomings. Recommended retention of the system but adding quantitative methods.

TABLE IV (Page 10)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

MONTANA (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 2. Study to establish comparable worth as the basis for compensation and to use quantitative methods to rank jobs. Divided into two projects: (1) classification enhancement focussed on revision of existing classification method, (2) comparable worth pay analysis. Point-factor job evaluation and benchmarks used. No reference to market rates.	5/83	State Personnel Division staff with a Job Classification Advisory Council (JCAC) on which women's groups and unions are represented.	N/A Funded by State Personnel Division out of operating funds	Due 12/84.

TABLE IV (Page 11)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

NEW MEXICO

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. Limited study of female-dominated job classes in lower 1/3 of salary schedule to bring them better into line with rest of system. Market factors were considered.	11/82	State Personnel Department	N/A	Found many of these lower ranked classes compacted into one range. Recommended adjustment of these classes to provide a two range salary difference between levels (each level 5% apart) in a career series so incumbents would have a career horizon equal to all other career series. Funds were allotted to accomplish this. Pay equity increases began in 1982 and were completed by 7/83.
Study 2. More comprehensive job evaluation study using job factors based on Hay system, the FES and the system used in San Jose, CA, all aimed at incorporating strengths and avoiding biases of existing systems. Goal is to have every class in classified service placed in a level commensurate with point values.	3/83	State Personnel Department Task Force (4 members from State Personnel Office and 4 from Agency Personnel Offices - 4 males/4 females.	N/A	Not completed. No definite time table.

TABLE IV (Page 12)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

NEW YORK

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. A study of comparable worth with respect to gender and minority dominated job titles with the objective of eliminating any pay bias which may exist. Study is designed to report the impact of what State is presently doing, to determine what job factors are important and in what weighting, to develop accurate job descriptions, to evaluate jobs and allocate job points and determine whether any disparity between points and pay is related to sex or race of incumbents, to complete an economic forecast of State revenues and assess potential costs of needed pay equity adjustments.	Fall 1983	Center for Women in Government in tandem with a general classification study by Arthur Young and Company.	$500,000 Legislative appropriation	Due 3/85.
Study 2. Classification study -.no information available.	N/A	Arthur Young and Company	N/A	N/A

TABLE IV (Page 13)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

OHIO

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. To develop a new classification and compensation plan that would address recruitment and retention problems, assure equal opportunity and fair employment practices, and be responsive to internal equity and the competitive labor market. The study used a point factor job evaluation system on the basis of skill, effort, responsibility and working conditions with different compensable sub-factors for executives versus other employees. No focus on pay equity by race or sex.	1974	Jacobs Company (McLean, VA) (No longer in business.)	N/A	Recommended system adopted in 1975. Classification Plan: Order jobs into six major occupational branches subdivided into groups, subseries and classifications. Jobs in each classification have similar job content, get same pay and have same qualifications for selection. Compensation Plan: Final point scores are translated into pay grades according to three established salary schedules for three types of employees: first level unskilled and semi-skilled clerical, labor and trades; executives; all others. Every two years as recommended by Jacobs a market-based salary survey is conducted to develop information on how wages paid compare to prevailing rates in public and private sectors. Some classifications of employees are not included in classification plan (e.g., elected officials, judicial employees, etc.) These salaries set by law. There is a mechanism for exceptions to wage plan.

TABLE IV (Page 14)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

OHIO (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 2. A review and update of that part of the system adopted in 1975 which defines the minimum qualifications necessary for hiring or promotion.	1978	Organizational Research and Development, Inc. (Columbus, Ohio)	N/A	N/A
Study 3. A systematic review and updating of position descriptions and classification specifications.	1984 (On-going)	Department of Administrative Services	N/A Part of regular work.	N/A
Study 4. Preliminary research intended "to illuminate facts about Ohio's classification and compensation system that could help to determine whether State agency workers are paid on the principle of pay equity, that is, equal pay for jobs of equal value." Reviewed structure and design of existing job evaluation system and the methodology of the 1974 Jacobs study. Also reviewed sex segregation and wage differentials between men and women and did a statistical analysis of pay equity.	1/84	Women's Division, Ohio Bureau of Employment Services and the Department of Administrative Services, with monitoring and suggestions from the Ohio Pay Equity Committee. (23 members from 5 State agencies, 3 unions, women's groups, industry, universities, law firms, Office of the Governor, the legislature and others.	$75,000 Legislative appropriation	5/84 report found consistent administration of system so that jobs with same points were paid the same (only State to have found this). However, also found evidence of possible sex bias in the system's assumptions including sex segregation for 76% of all workers, clustering of female-dominated jobs in the lower pay ranges, and an unexplained wage gap between men and women. Concluded that a thorough examination of current system was needed to determine how to make it reflect the principle of pay equity.

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TABLE IV (Page 15)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

OHIO (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 5. "To enhance Ohio's existing job evaluation system to identify any sex biased elements of its structure or application and to test and recommend any changes to the system necessary to insure that female- and male-dominated jobs are evaluated for skill, effort, responsibility and working conditions in a sex neutral manner."	9/84	Hubbard, Givens and Revo-Cohen with Organizational Research and Development, Inc. as subcontractor. The same Ohio Pay Equity Committee of prior study is continuing to advise and monitor.	Consultant's fee of $100,000+ from Bureau of Employment Services discretionary funds plus in-house costs of substantial staff time probably exceeding consultant's fee.	Study due to be completed by 4/85. Final report with action recommendations and estimated cost of pay equity implementation due 6/85.

TABLE IV (Page 16)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

OREGON

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study of all 200 job classes in classified and management service categories using Hay Guide Chart point-factor evaluation method with no reference to market rates primarily to determine if there is pay equity between sexes (academic, unclassified and executive service categories not studied). Study will also address compensation, classification, and career ladder structure of existing system, report findings and make recommendations to 63rd Legislative Assembly on how to implement pay equity, including cost estimates and any needed legislation.	1/84	Statutorily established Task Force appointed by Governor and legislature (1 State Senator, 1 high level State manager, 1 female professor, 1 female attorney, 1 private sector manager, 1 female labor representative) which has employed Hay and Associates as consultant to work with State Personnel Division which will do most of the work.	$470,000 Paid by State	Due 2/85. Implementation will be mix of legislative action and collective bargaining.

TABLE IV (Page 17)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

WASHINGTON

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. A preliminary study to determine whether State's personnel practices were discriminatory because wages were set at approximately the average of prevailing wages in the State (and some out of State) as determined by surveys of what some 1,000 businesses paid people doing the same work as 71 selected State benchmark jobs.	1973	N/A Commissioned by Governor	N/A	Completed 1973. State practices found to be discriminatory.

TABLE IV (Page 18)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

WASHINGTON (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 2. Study of sample (121) male or female 70% dominated job classes (half male and half female) to assess their comparable worth and any pay disparities using 4 factor point system (knowledge and skills, mental demands, accountability and working conditions). Same methodology used in a 1973 salary study for 242 upper management State employees which had been implemented.	1974	Personnel Agencies and Norman Willis and Associates who did most of the work. An advisory Committee and a female consultant (Anne O. Worcester) worked with Willis to assure meaningful involvement of women in the process. Unions/ women represented on advisory committee. Unions on evaluation committees.	$25,000 Paid by Governor's Office and Personnel Agencies	Completed 1974. Found that predominantly female jobs were, on average, paid 20% less than male jobs of comparable worth. Greater disparities existed among classified staff in the higher education system than those in the civil service system overseen by the Dept. of Personnel. Concluded that any action to achieve internally equitable salary relationship between women's and men's classifications would involve a significant modification of or departure from the present salary setting method. Estimated cost of implementing pay equity on basis of findings was 5% of State payroll budget.

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TABLE IV (Page 19)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

WASHINGTON (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 3. Update of Study 2.	1976	State's two Personnel Boards	N/A Paid out of operating budgets	Updated salary figures including additional evaluations and redrawing of comparable worth lines as internal relations changed with changing salary survey recommendations.
Study 4. Update of Study 2.	1979	same as above	same as above	same as above
Study 5. Update of Study 2.	1980	same as above	same as above	same as above
Study 6. Update of Study 2.	1982	same as above	same as above	same as above
Study 7. Update of Study 2.	1984	same as above	same as above	same as above

TABLE IV (Page 20)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

BURLINGTON, VERMONT

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
To do a job evaluation study of all job classes to determine if women were being paid less than men for jobs of comparable worth and to recommend a new classification and compensation system that would achieve pay equity between women and men. Point-factor system was used in job evaluation.	12/82	Labor Relations Associates (Montpelier,VT) overseen by committee of 3 members of Board of Aldermen	$22,700 Paid by city	Completed 7/1/83. Found undervaluation of women's jobs and pay equity increases were given. Dissatisfaction with new system's wage classification and continuing inequities has developed since 1983. Aldermanic Finance Committee now considering hiring new consultant to further refine system to achieve internal equity.

TABLE IV (Page 21)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

CONTRA COSTA COUNTY, CA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. A study on the employment and economic status of women in the county to determine how Federal CETA funds could address their needs.	N/A	County established Task Force on the Economic Status of Women with 19 representative members - no public officials.	Paid under provisions of the Comprehensive Employment and Training Act (CETA)	1981 report to the County Board of Supervisors showed women in the county earned 53¢ for every dollar earned by men. Urged public policy makers and the business community to help close women's earning gap; to find ways to move women up.
Study 2. A study on the status of women in the county work force and a survey of comparable worth studies done in San Jose, Connecticut, and Washington and how the issue was being handled in those jurisdictions.	N/A	County Personnel Department	N/A	May 1983 report listed many female-dominated jobs in county; showed how certain benchmark classifications were paid in comparison to other Bay Area counties. Found all to be low-paying.

TABLE IV (Page 22)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

PORTLAND, OREGON

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. To present within 60 days a plan for efficient and economical evaluation of the comparable worth of the City's employee classifications.	9/83	City Personnel Dept. and Comparable Worth Study Committee with members from Civil Service Board, 5 city unions, the city Office of Fiscal Administration, City Attorney's Office and 3 citizens representing groups concerned with comparable worth selected by Personnel Director. Those selected were the League of Women Voters, the Oregon Women's Political Caucus, and a representative at large.	N/A	Report adopted by City Council 1983. Recommended, among other things, that a pay equity study be done of classifications representative of the different types and levels of work performed by city employees and that the city commit in advance to rectifying any inequities found. (See Appendix 1)

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TABLE IV (Page 23)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

PORTLAND, OREGON (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 2. A study to assure equitable pay for all job classifications whether or not female dominated. All 563 positions will be evaluated using point-factors (knowledge and skills, mental demands, accountability, working conditions) and benchmarks.	9/84	Norman D. Willis Associates selected by 19 member Pay Equity Task Force representing labor, management and interested public. Task Force appointed by City Council will have power to oversee and direct study; make recommendations to City Council. Disagreements among Task Force members over factors and weighting will go to arbitration. Evaluation Committee (3 union representatives, city personnel director, member-at-large (if available) will participate in evaluation of 223 benchmark positions.	$80,000	Target date, end of August 1985. Adoption by City Council of Comparable Worth Study Committee report implies that implementation will follow.

TABLE IV (Page 24)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

RENTON, WASHINGTON

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
A total classification and pay study with pay equity as an element. Job evaluation was done using five job factors with two dimensions for each factor similar to the Hay system.	N/A	Donworth Taylor	N/A	Plan was approved and appropriation for full implementation authorized in 1980.

TABLE IV (Page 25)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

SEATTLE, WASHINGTON

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. Classification Project to evaluate city jobs according to five factors: responsibility, difficulty, knowledge requirements, personal relationships and physical dangers and demands and lay groundwork for a sound compensation structure. Two part study: one for exempt jobs in management; the other for the rest of the Civil Service system.	1979	Personnel Department	N/A	Study completed Spring 1984 and sent to all unions for review. Positions were grouped according to job content and the level of skill, effort and responsibility and assigned to appropriate classifications. Points were assigned based on levels within the five factors.

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TABLE IV (Page 26)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

SEATTLE, WASHINGTON (Continued)

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 2. Study of City occupations and wages and impact on women.	N/A	City's Office for Women's Rights	N/A	Report "Pay Equity and Sex Segregated Jobs in the City of Seattle Workforce" issued November 1983 recommended implementing a comparable worth pay system. Showed that female-dominated jobs are clustered at low-end of pay scale. Pointed out sex-biased standards for pay. Similar factors affect women's and men's wages differently. Women's pay averaged 20% less than pay to men with comparable point values. Evidence that sex and large disparities in pay correlate and are unrelated to skill levels required. Not clear what implementation will be.

TABLE IV (Page 27)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

ST. PAUL, MINNESOTA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Study 1. A reworking of entire city Civil Service classification schedule which has market-based wages for graded jobs.	1975	City Personnel Department	N/A	Did not upgrade library titles. Library Administration requested four grade upgrade. Initial city denial of request was appealed successfully to Civil Service Commission. Librarians argued education and responsibilities and historical discrimination against predominantly female job titles. Received upgrades of one to two grades.
Study 2. Studied all graded classified positions using QES job evaluation system. Excluded all trades, labor and custodial classes which are upgraded and whose wages are set by Associated General Contractors settlements. Study covered 650 job classes out of 850.	4/84	Hallcrest-Craver with oversight by a committee of 17 with representation from AFSCME, professional and supervisory bargaining units and management. Committee selected consultant, has advisory role, and will decide final acceptance of results.	$100,000+ Paid by City	Target date 11/84. Results N/A.

TABLE IV (Page 28)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

CHICO (CA) UNIFIED SCHOOL DISTRICT

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
Parity evaluation of classifications across occupational lines using job evaluation guide established in 3 previous studies. Items on the Job Evaluation Summary were not weighted, but treated equally. Study was response to CSEA union's complaints to Board of Education about inequities in ratings for 3 classes of employees: clerical/secretarial/ accounting, maintenance/operations/ transportation, and cafeteria.	1974	CSEA Study Committee appointed by Personnel Commission	N/A	Recommended new evaluations and a standard entry level salary along with standard promotion levels measured at intervals of 7.5%. Showed cafeteria personnel 22.5% behind recommended benchmark class (Custodian I).

TABLE IV (Page 29)

Compensation, Classification or Job Evaluation Studies Performed by Respondents

UNIVERSITY OF WASHINGTON

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
University employees covered by State of Washington study.	----------See State of Washington above----------			

UNIVERSITY OF MINNESOTA

Aim and Type of Study	Date Begun	Performed By	Cost of Study	Results/ Findings
To design a new job evaluation system for Civil Service jobs in the university based on employee choice of factors and factor weights. A pay equity analysis will be done by April 1, 1985 as part of the implementation of the new system on a permanent basis. Study initiated to introduce a solid system for determining classifications and all salary ranges, thus addressing pay equity issues for female-dominated, male-dominated and balanced classes. Majority of job classes will be studied initially; all eventually. All details not yet worked out in Spring 1984. In system to be superseded, wages are set by salary surveys and State Civil Service comparability where there are job matches.	1/83	University Personnel Dept. through 18 employee committees (136 employees) representative of size and sex make-up of university classes. They are designing the system. The committees will choose factors, define factors and levels for factors. A general employee survey will be basis for weighting factors. Job evaluations for pay equity study will by employee committee or by employee self-rating of jobs with supervisor's signature (latter preferred).	N/A Much released time from work. Initial costs funded by Personnel Department out of surplus supply budget.	Target date: 7/85. Phase-in of pay equity adjustments will depend on resources and legislative funding support. There will be no downgrading.

NCPE 1984 Survey of Public Sector Employers

TABLE V

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
ALASKA Total Budget: (exclusive of university, judicial, legislative and regulatory agencies) $2.5 billion Personnel: $567 million.	State Personnel Law and Fair Employment Practices Law; Legislative appropriation for classification study (Table IV); litigation - 3 comparable worth cases; union interest; active Status of Women Commission	None. (Study just beginning. Results due 8/85.)	$500,000 for study.	No estimate; possibly after study completion in 1985. Timing and amount of any pay adjustments will depend on collective bargaining with several unions, budget process and administration action.

Note: Throughout Table V: * means most recent budget unless otherwise indicated.
N/A means not available.

TABLE V (Page 2)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
CONNECTICUT Total Budget: $3.596 billion Personnel: $4.906 million	Three laws authorizing studies; two lawsuits pending; union pressure; active Status of Women Commission; series of studies (Table IV)	Some funds expended for "equity fund" bargained for by unions. Other action awaits study completion in 1986.	$135,000 in related legislative appropriations plus other unmeasured costs; Settlements with unions establishing "equity funds" estimated at $4 million; Study costs of about $400,000.	No estimate for implementation. Unknown costs of litigation. Timing and amount of any pay adjustments will depend on collective bargaining with several unions, budget process and Civil Service action for managers.

TABLE V (Page 3)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
IOWA Total Budget: $2.2 billion Personnel: $250 million	AFSCME threat of court action leading to legislation; leadership by woman legislator; 1983 State law establishing State policy of comparable worth and providing study; 1984 State law establishing comparable worth salary adjustments for State employees based on comparable worth pay grade system, and making supplemental appropriations for salary adjustments and implementation. Law as passed in April 1984 set up a detailed point factor/wage grade grid based on legislative version of Arthur Young study recommendations. Provided for review and appeals and downgrades. Line item vetoes by Governor removed appeal process and legislative oversight. Law proved unworkable in subsequent collective bargaining. Bargaining agreement does not conform to law. Amendments to law expected next session.	Implementing law in effect but needs amendment. Collectively bargained pay equity increases for women with provision for no downgrading await changes in law.	$10 million ($5 million State funds; $5 million matching Federal/county etc.) appropriated for first phase of implementation between 1/1/85 and 6/30/85.	Implementation expected over 3-6 year period. Equity increases estimated at $35 million over that period. Additional $21 million for each of three years may be needed for catch-up and reclassification costs.

TABLE V (Page 4)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
KENTUCKY N/A	1966 comparable worth law. Results of 1984 study (Table IV). Recommendations of Governor's Commission for Full Equality 1983.	None. (Study completed 1984)	N/A	N/A

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
MARYLAND Total Budget: $3.2 billion (1983) Personnel: $562 million (1983)	1960's comparable worth law; 1984 General Assembly resolution; 1982 presentations to Governor's Commission studying State's employment; criticism of Commission's report by the MD Commission on Women (MCW); 1983 State hearings; series of studies (Table IV); pressure from women's groups through MCW committee on comparable worth; AFSCME 1983 study (though no collective bargaining in MD.)	None. (Study not yet completed)	Study costs (directly and indirectly related) of about $501,300 (Table IV)	Estimates due in June 1985

TABLE V (Page 5)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
MICHIGAN Total Budget: (FY 82/83) $10.85 billion Personnel: $1.775 billion	1962 anti-wage discrimination law, 1983 comparable worth law; series of studies (Table IV), 2 EEOC complaints, union pressure, interest of Status of Women Commission Task Force of Women and Work Division of Dept. of Labor, involvement of Civil Service Commission.	None. (Study completed 1984, not yet released.)	Study costs (directly and indirectly related) N/A	Implementation plan due early 1985.

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
MINNESOTA Total Budget: $5 billion Personnel: $650 million	1982 comparable worth law with implementation timetable; 1984 comparable worth law for local governments; series of studies (Table IV); active involvement of legislative advisory council on Economic Status of Women, union; positive, cooperative approach of executive and legislative branches. High public awareness.	Begun in July 1983 to make comparable worth salary adjustments based on study completed in 1982.	Study costs N/A 1983-85 appropriations of $21.7 million for pay equity adjustments. (1.25% of personnel budget for biennium)	Estimate approx. $21.7 more in 85-87 biennium to complete pay adjustments bringing undervalued female jobs to average wage of comparable male dominated calsses.

TABLE V (Page 6)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
MONTANA Total Budget: $975 million Personnel: $244.9 million (Excluding university)	1983 comparable worth law. Series of studies (Table IV), union pressure, active women's groups.	None. (Study completed 1984)	N/A	N/A

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
NEW MEXICO Total Budget: N/A Personnel: $312 million	1983 law upgrading salary levels for certain low paying jobs mostly held by women. Follow-up Personnel Dept. study. (Table IV) Positive gubernatorial and legislative leadership. Active Status of Women Commission. Positive approach of Personnel Dept. High public awareness.	By July 1, 1983 3,000 State employees, 86% women, were upgraded without prior job evaluation study. Personnel Dept. allotted funds to female impacted classes with the aim of creating a minimum of a two-range differential of 5% between each level in the career series. The average wage gap between men and women was reduced from 24% to 22% in 1984.	$3 million appropriated for comparable worth increases.	Estimates for full implementation of pay equity: $40 million (over period of years) on basis of bringing salary levels of jobs equal in points to those in male-dominated classes up to the salary level of male-dominant classes.

TABLE V (Page 7)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
NEW YORK Total Budget: $8 billion Personnel: $3 billion	Comparable worth legislation introduced in Senate and Assembly in 1984; Civil Service Employees Association, AFSCME bargained for comparable worth study in 82-85 contract. Pressure from Professional Employees (union), also Governor's Division for Women involved. Present Governor is supportive of implementation. Office of Employee Relations in previous Governor's administration provided leadership. State Assembly Task Force did comparable worth report.	None. (Study not complete until 1985) Labor/Management Committee to deal with implementation policy being organized.	$500,000 study costs $1 million negotiated for related reorganization of State's compensation and classification systems.	Study results due in 1985 will forecast probable cost to State.

TABLE V (Page 8)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
OHIO Total Budget: $13.779 billion Personnel: $1.382 billion	Governor's 1983 campaign promise to 9 to 5, National Association of Working Women led to Governor's 1983 Executive Order to proceed with a study under a Pay Equity Advisory committee. Governor's support for implementation of findings is expected. Fairly high public and legislative awareness of issue.	None. (Study results due 6/85)	Estimated study costs of over $275,000 for consultants and in-house expenses.	N/A Consultant's estimates will be in study report 6/85.

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Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
OREGON Total Budget: $11.178 billion biennium Personnel: $5.23 million biennium	1983 comparable worth law. Activities of Task Force established by the law. Study underway (Table IV) Preliminary study by Service Employees International Union (SEIU)	None. (Study not complete until 1985.)	$470,000 for study costs	A long range maintenance plan and cost estimates await conclusion of study in 1985. Phasing in of costs will depend on collective bargaining and budget process.

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
WASHINGTON Total Budget: N/A Personnel: N/A	1983 comparable worth law with implementation timetable and comparable worth factors; series of studies (Table IV); union pressure (Washington Federation of State Employees - AFSCME) and lawsuit AFSCME v. State of Washington (State law does not permit bargaining on wages). Pressure from	Implementation began in 1983 after lawsuit was filed. While case is on appeal, State is proceeding to implement comparable worth under its own plan. Three different bodies- the Dept. of Personnel over Civil	Cost of Willis study-$25,000; Costs of litigation to date N/A; other related costs N/A; 1983 legislative appropriation for first phase of pay increases: $1.5 million.	Estimated total cost of 10 years of pay increases N/A; if State loses appeal estimated costs of implementation and back pay awards vary, but run as as $1 billion. Original 1974 estimates to implement Willis plan were 5% of State payroll budget. In early 1984, the Dept. of Personnel (DOP) estimated that implementation of State plan would in-

TABLE V (Page 10)

Implementation of Pay Equity By Respondents and Costs of Implementation

State and Annual Budget*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
		WASHINGTON (Continued)		
	Washington State Women's Council, Network of Women in State Government, and Interagency Committee on the Status of Women.	Service, the Higher Education Personnel Board over classified employees in higher education (higher proportion of female employees) and the Joint Select Committee on Legislature are to study alternatives to Willis plan. State policy continues to be based on market surveys but allows for adjustments above those rates where internal equity calls for them. On July 1, 1984 $100 annual increases were given to employees in classes 20% below comparable worth salary practice line. By 1993 (under 1983 law) with annual installments, all classes below the practice line will be up to the line. [The Federal District Court has appointed a Master to oversee court's implementation orders. While case is on appeal, Master's intervention has been stayed.]		volve an average increase of 9.66%. For classes below the line the increase would be 16.83% at an annual cost of $72.2 million. The court had ordered only that predominantly female classes be brought to the line. DOP estimates that cost to be $39.4 million annually for an average increase of 18.7% using current indexing.

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Implementation of Pay Equity By Respondents and Costs of Implementation

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
BURLINGTON, VT Total Budget: Approx. $50 million Personnel: Approx. $38.5 million	Phase I: (Pre-study and its implementation) union (AFSCME local 1343) expressed concern over unfair pay differentials for comparable work in different city departments, not necessarily gender related; equity-conscious Mayor and city administration; Board of Alderman's Comparable Worth Resolution; study results Table IV; Phase II: (Post-study and its implementation) city and union concern over inequitable impact of study's implementation; loss of confidence in study's approach. City commitment to repair system.	City adopted new system-wide job classifications and ratings and a separate market-based salary schedule for each of 4 categories of employees: managerial, professional and administrative, trades and services, and public safety. Pay equity adjustments were made through collective bargaining on 7/1/83. These were intended to fully implement pay equity. Wage levels and wage steps structure recommended by consultant were rejected as too costly. City reduced number of salary steps per job and wages per step. Eliminated longevity increases; after implementation, complaints showed comparable worth still an issue, particularly across 4 wage categories. Wage	Study cost $22,000; pay equity implementation costs of about $240,000 or about 1/2 of 1% of payroll budget.	Costs of possible second study and implementation of its results not known.

TABLE V (Page 12)

Implementation of Pay Equity By Respondents and Costs of Implementation

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
		BURLINGTON, VT (Continued)		
		depression by sex continued at least partly due to different salary schedules for 4 groups. Professional and administrative group is all female; trades and services all men; public safety and management are mixed. Both city and unions now feel new system requires refinement of factors and weighting and wage setting system to fully achieve comparable worth. City is looking for a consultant to assist in reforming system.		

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Implementation of Pay Equity By Respondents and Costs of Implementation

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
CONTRA COSTA COUNTY, CA Total Budget: $315,634,264 Payroll with fringes: $170,762,380	1982 County Board of Supervisors' policy statement adopting comparable worth in pay classification as a county goal; 1983 County Personnel Dept. survey of studies on pay equity done elsewhere and review of status of women in county work force; 1983 local SEIU woman leader's study of the wage gap between men and women in county employment. Strong collective bargaining pressure for pay equity by coalition of three female-dominated union locals (SEIU, AFSCME, and California Nurses Association) led to pay equity agreement effective 8/1/84. Pressure also from Contra Costa County Employees Association Local # 1.	Board of Supervisors approved 3% pay equity increase over and above a 5% wage increase for females in female-dominated classes for year beginning 8/1/84.	Total amount of pay equity wage increases N/A.	N/A County expects bargaining on pay equity to resume on 8/1/85. Two labor/management comparable worth task forces are meeting regularly to work out future implementation of pay equity. One is also researching sources of revenue to pay for it. Recommendations due 3/15/85.

TABLE V (Page 14)

Implementation of Pay Equity By Respondents and Costs of Implementation

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
PORTLAND, OR Total Budget: N/A Personnel: N/A	City Council 1983 resolutions led to appointment of Comparable Worth Study Committee with labor, management and public members, and to studies (Table IV). Council adoption Committee report appears to have committed city to implementation of comparable worth once job evalution study is completed.	None. (Study not due until end of August, 1985)	$80,000 study costs excluding volunteer time of private sector Committee members and cost of released time for city employees involved in new study and previous study.	If there is implementation of results of study, amount and timing of adjustments will depend on collective bargaining. No downgrading of wages will be permitted.

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
RENTON, WA Total Budget: $12 million Personnel: $152.4 thousand	City Council initiative	First city in Washington to implement a pay equity plan. Many clerical positions were reclassified and paid at higher level of laborer. Some positions (primarily management) were redlined and got smaller percentage pay increases. Plan was carried out in collective bargaining under guidance of a joint labor-management committee.	$5,000 total implementation costs - 3% of payroll budget	Annual costs of maintenance of new system not known

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Implementation of Pay Equity By Respondents and Costs of Implementation

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
SEATTLE, WA Total Budget: N/A Personnel: N/A	Personnel ordinance effective in 1979 combining functions of job classification and compensation in Personnel Department for first time reflected recognition of need for better system; studies (Table IV) provide foundations for change; pressure from city's Office for Women's Rights; in 1983, Mayor added comparable worth as major item of his Policy Planning Agenda work plan for 1984; impact of AFSCME v. Washington.	None. Mayor is examining alternative strategies and time frames for implementing comparable worth in conjunction with collective bargaining. (City employees are 75-80% unionized under 30 separate contracts. Mayor wants to convene a labor/management committee to guide the Personnel Department in setting weights and points as measures of its job descriptions and recommended classifications. Mayor sees Women's Office Study (See Study 2 below.) as providing background and guidance to Personnel Department as it moves from classification to compensation issues.	N/A	N/A

TABLE V (Page 16)

Implementation of Pay Equity By Respondents and Costs of Implementation

Cities and Counties and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
ST. PAUL, MN Total Budget: $130.5 million Personnel: $110.8 million	1984 State of Minnesota law mandating pay equity in Minnesota local governments: modeled on State Government Pay Equity Act of 1982. This "Local Government Pay Equity Law" calls for report to State Deptartment of Employee Relations on plan for implementation of pay equity by Oct.1, 1985. Law provides protection from wage discrimination suits in State courts until August 1, 1987, but not beyond. Prior to law, AFSCME bargained with city on fair pay equity.	None.	Study costs of at least $100,000+	N/A. Cost relevant provisions of the new law: No exclusion of any employee groups. No prohibition of downgrading, freezing of wages of male jobs or slowing rates of wage increases for male jobs. Latter options are limited, however, by collective bargaining realities and legal and practical considerations. Fringe benefits are included in "equitable compensation." Law does not require hiring of consultants, any one system of job evaluation, complete revision of personnel systems or correction of all compensation problems. Does require examination of current system and addressing of pay disparities for female job classes.

TABLE V (Page 17)

Implementation of Pay Equity By Respondents and Costs of Implementation

State Univ. and School Districts and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
CHICO (CA) UNIFIED SCHOOL DISTRICT Total Budget: N/A Personnel: N/A	1973 or 1974 union recognition of inequities and report on them to Board of Education; Board of Education and Personnel Commission's cooperation - and agreement to study problems; Study (Table IV); collectively bargained agreement with Board to implement study with some modificatons; (The Board set a ceiling on cost. To meet this requirement, agreement was reached to lower the step of the salary range for which the employee was paid, while raising the salary range to equate beginning level classes.)	Every employee was brought to form of parity agreed on immediately, except cafeteria workers. Size of adjustment for the latter required two steps, two years apart because Board was bound not to give more than 20% increases at one time. Every employee got at least the salary that would have been paid without a parity study. Normal increases were paid and then parity increases.	$10,000 cost to Board of Education for the first annual adjustments plus later payments to cafeteria staff.	N/A

TABLE V (Page 18)

Implementation of Pay Equity By Respondents and Costs of Implementation

State Univ. and School Districts and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
UNIV. OF MINNESOTA Total Budget: N/A Personnel: N/A	1982 State of Minnesota Law mandating comparable worth in State employment applies to University of Minnesota; leadership of manager of in-house Personnel Department; involvement of employees; Study (Table IV).	None yet. (Study results due 7/85.) Expect majority of classes to begin implementation 7/1/85. Implementation for later classes will be retroactive to 7/1/85.	N/A	N/A. Estimates will be part of study results. Phase-in of pay adjustments will depend on resources and legislative funding support. There will be no downgrading.

TABLE V (Page 19)

Implementation of Pay Equity By Respondents and Costs of Implementation

State Univ. and School Districts and Annual Budgets*	Impetus or Basis for Implementation	Status of Implementation	Costs Incurred or Committed	Estimated Future Costs and Timing
UNIV. OF WASHINGTON Total Budget: N/A Personnel: N/A	The 1983 comparable worth State Law applies to State University employees and is administered by Higher Education Personnel Board (HEPB), State of Washington Willis study (Table IV).	University employees will share in yearly legislative appropriations for pay equity from 1983 to 1993. HEPB will report its recommendations for full implementation to the Legislative Joint Committee.	About $300,000 in pay equity increases voted for 1983 will go to university employees represented by Classified Staff Association (SEIU).	N/A. Cost of parity by 1993 under 1983 lawsuit known. Outcome of AFSCME v. Washington could determine costs.

APPENDIX II

TABLE VI

Selected Demographics of the NYS Government Workforce by Federal Salary Groups — 1982

SALARY RANGE	Total Number	Total Percentage Male	Total Percentage Female	NON-HISPANIC ORIGIN White Male	White Female	Black Male	Black Female	Hispanic Male	Hispanic Female	Asian or Pacific Islander Male	Asian or Pacific Islander Female	American Indian or Alaskan Native Male	American Indian or Alaskan Native Female
3,999 or less	279	206 73 8	73 26 2	202 72 4	69 24 7	4 1 4	3 1 1	- -	1 0 4	- -	- -	--	
4,000 - 5,999	52	33 63 5	19 36 5	32 61 6	17 32 7	1 1 9	— —	- --	2 3 8	-- --	- --	--	
6,000 — 7,999	1010	649 64 3	361 35 7	538 53 2	318 31 5	84 8 3	38 3 8	16 1 6	5 0 5	1 0 1	— —	10 1 0	
8,000 9,999	17848	5358 30 0	12490 70 0	3839 21 5	9433 52 9	1154 6 5	2550 14 3	290 1 6	416 2 3	50 0 3	75 0 4	25 0 1	16 0 1
10,000 12,999	44696	17209 38 5	27487 61 5	13008 29 1	20068 44 9	3232 7 2	6410 14 3	787 1 8	843 1 9	107 0 2	119 0 3	75 0 2	47 0 1
13,000 - 15,999	37892	18887 49 8	19005 50 2	15082 40 0	12201 32 2	3011 7 9	6170 16 3	698 1 8	531 1 4	55 0 1	56 0 1	41 0 1	47 0 1
16,000 24,999	45402	28565 62 9	16837 37 1	25000 55 1	13276 29 2	2542 5 6	2805 6 2	718 1 6	333 0 7	264 0 6	380 0 8	41 0 1	43 0 1
25,000+	26222	20349 77 6	5873 22 4	18651 71 1	4740 18 1	804 3 1	654 2 5	297 1 1	102 0 4	572 2 2	350 1 3	25 0 1	27 0 1
TOTAL	173401	91256 52 6	82145 47 4	76352 44 1	60122 34 7	10832 6 2	18630 10 7	2806 1 6	2233 1 3	1049 0 6	980 0 6	217 0 1	190 0 1

APPENDIX III

NATIONAL COMMITTEE ON PAY EQUITY

March 1984

Questionnaire on Cost and Implementation of Pay Equity

Name of employer _____

Your name, title, address & phone _____

_____

_____

_____

Please respond by May 7, 1984.

Part I: General Information About Your Workforce

(Note: Please provide the following information in terms of the total number of employees and job classes from which the sample was selected for the pay equity job evaluation study.)

1. Number of employees _____

2. Does this include university/college employees? _____
   If so, how many? _____

3. Number of female employees _____
   Number of male employees _____

4. Number of minority employees _____
   Number of white employees _____

5. Total number of job classes _____

6. Number of job classes with 10 or more incumbents _____
   How many of these classes are over 70% male? _____
   How many of these classes are over 70% female? _____
   How many of these classes do you consider to be minority-dominated? Please define dominated._____
   _____

7. Average salary of all female employees _____
   Average salary of all male employees _____

8. Average salary of all minority employees _____
   Average salary of all white employees _____

Part II: The Pay Equity Job Evaluation Study

1. How did the job evaluation study begin --- through collective bargaining, legislation, executive order, agency action, etc.? _____
   _____
   _____

2. What was the time frame? _____
   Agreement was reached: _____
   The study began: _____
   The study was completed (or target date for completion:) _____

3. If more than one study, please describe. _____

_____

_____

4. Please describe the nature of the participation of labor unions, women's groups or civil rights organizations in the study. _____

_____

5. Did a committee oversee the study? _____

What was the size of the committee? _____

What was the committee's composition (types of representatives)? _____

_____

What was the committee's powers and role? _____

_____

_____

6. Was the study designed to reach wage depression based on sex, race or both?

_____

7. Who did the study? _____

How much did the study cost? _____

Who paid for the study? _____

8. Were all job classes studied? _____

How many job classes were studied? _____

How many employees did this cover? _____

What criteria were used for selecting job classes which were studied? _____

_____

How many of these job classes studied were 70% or more female? Or if appropriate, minority-dominated? _____

How many of these job classes studied were 70% or more male? Or if appropriate, white-dominated? _____

9. Please briefly describe the job evaluation system used. Did the system incorporate market rates? _____

_____

_____

10. What was the average percentage by which predominantly female jobs were paid less than male jobs of comparable worth? Or, minority-dominated jobs paid less than white jobs of comparable worth, if appropriate? _____

What was the range of underpayment? _____

11. Were estimates of the cost of implementing pay equity prepared on the basis of study results? _____

If so, how was pay equity defined? _____

Who prepared the estimates? _____

Were estimates prepared for the sample of jobs studied? _____

If so, what was the dollar estimate? _____

What percentage was this of the annual payroll budget? _____

What percentage was this of the organization's total budget? _____

Were estimates prepared for the universe of jobs? _____

If so, what was the dollar estimate? _____

What percentage was this of the annual payroll budget? _____

What percentage was this of the organization's total budget? _____

12. Please describe the method or formula used to determine the amount of pay equity adjustment needed. _____

13. If you have not yet begun to implement, what are your plans for implementation?

14. Were wage discrimination charges or lawsuits related to the alleged lack of pay equity filed against the employer? _____

Part III. The Implementation of Pay Equity

1. How are salaries and annual raises set in the organization -- collective bargaining, legislation, personnel or civil service action etc.? _____

2. Briefly, what kind of system for setting wages did the organization have in place before pay equity was implemented? On what basis were pay levels assigned?

3. How has implementation taken place --- collective bargaining, legislation, court order, etc? Please describe. _____

_____

_____

_____

4. When did pay equity increases begin? _____

When will full implementation be completed? _____

Please define full implementation _____

_____

If there are installments or partial adjustments what is the time schedule?

_____

How much of the wage gap will be closed at what points? _____

_____

5. In dollar amounts, percent of payroll budget and percent of total budget:

What will total cost of implementing pay equity be? _____

Please describe method or formula used to estimate total cost. _____

_____

What will cost of each installment be? _____

_____

What will be the average percentage wage increase for each female dominated classification? Or, minority dominated, if appropriate. _____

_____

Will any classes be downgraded? _____

If so, describe. _____

_____

Will any classes be "red circled?" _____

If so, describe. _____

_____

6. How many job classes and employees will receive pay equity increases? _____

7. Please describe how the amount and timing of pay equity increases and the distribution of increases across jobs was arrived at. _____

_____

_____

_____

8. If a job evaluation study was not done before implementation, what steps, if any, led up to pay equity? _____

9. What changes have been made in the permanent wage setting system so that it provides for pay equity? _____

_____

_____

_____

10. Were wage discrimination charges or lawsuits related to the alleged lack of pay equity filed against the organization? Please describe. _____

_____

_____

_____

11. Additional comments _____

_____

_____

_____